Q3

Quarterly financial report
July through September 2013

Financial report
January through September 2013




Henkel Excellence is our Passion

Henkel: Financial highlights

in million euros	Q3/2012[1]	Q3/2013	Change[2]	1–9/2012[1]	1–9/2013	Change[2]
Sales	**4,294**	**4,184**	**– 2.6%**	**12,508**	**12,503**	**0.0%**
Laundry & Home Care	1,194	1,167	– 2.2%	3,448	3,531	2.4%
Beauty Care	908	886	– 2.4%	2,690	2,683	– 0.3%
Adhesive Technologies	2,153	2,095	– 2.7%	6,252	6,177	– 1.2%
Operating profit (EBIT)	**586**	**649**	**10.6%**	**1,707**	**1,821**	**6.7%**
Adjusted[3] operating profit (EBIT)	**631**	**672**	**6.5%**	**1,791**	**1,932**	**7.8%**
Return on sales (EBIT) in %	**13.6**	**15.5**	**1.9 pp**	**13.6**	**14.6**	**1.0 pp**
Adjusted[3] return on sales (EBIT) in %	**14.7**	**16.1**	**1.4 pp**	**14.3**	**15.5**	**1.2 pp**
Net income	**402**	**469**	**16.7%**	**1,177**	**1,304**	**10.8%**
Attributable to non-controlling interests	– 12	– 11	– 8.3%	– 32	– 35	9.4%
Attributable to shareholders of Henkel AG & Co. KGaA	390	458	17.4%	1,145	1,269	10.8%
Earnings per preferred share in euros	**0.90**	**1.06**	**17.8%**	**2.65**	**2.93**	**10.6%**
Adjusted[3] earnings per preferred share in euros	**0.97**	**1.10**	**13.4%**	**2.78**	**3.13**	**12.6%**
Adjusted[3] earnings per preferred share in euros (2012 before IAS 19 revised)	**0.99**	**1.10**	**11.1%**	**2.83**	**3.13**	**10.6%**
Return on capital employed (ROCE) in %[4]	**19.6**	**23.2**	**3.6 pp**	**19.2**	**21.5**	**2.3 pp**

pp = percentage points
[1] Adjusted in application of IAS 19 revised (see notes on page 33).
[2] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[3] Adjusted for one-time charges/gains and restructuring charges.
[4] Prior-year figures adjusted to reflect application of IAS 8 (see notes in the Annual Report 2012, pages 116 and 117).

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4,184 million euros
sales

+4.2%
organic sales growth
+5.5% Laundry & Home Care
+3.1% Beauty Care
+4.2% Adhesive Technologies

649 million euros
operating profit (EBIT)

672 million euros / +6.5%
adjusted[1] operating profit (EBIT) / year-on-year increase

1.06 euros
earnings per preferred share (EPS)

1.10 euros / +11.1%
adjusted[1] earnings per preferred share (EPS) / year-on-year increase[2]

458 million euros
net income attributable to shareholders of Henkel AG & Co. KGaA

16.1%
adjusted[1] return on sales (EBIT): up 1.4 percentage points
15.9% Laundry & Home Care
14.9% Beauty Care
17.8% Adhesive Technologies

4.5%
net working capital in percent of sales: down 1.4 percentage points

Key facts

Very strong organic sales growth in emerging markets.

Adjusted return on sales exceeds 16 percent for the first time.

Renewed double-digit increase in adjusted earnings per preferred share.

The world's largest adhesives factory opens in Shanghai, China.

[1] Adjusted for one-time charges (4 million euros)/one-time gains (0 million euros) and restructuring charges (19 million euros).
[2] When applying IAS 19 revised to the prior-year quarter, growth amounts to 13.4 percent (see notes on page 33).

You will find our annual reports, our quarterly financial reports, the latest data on Henkel's shares and bonds, and also news, reports and presentations relating to the company, on our Investor Relations website: www.henkel.com/ir

Major events

On September 18, 2013, Henkel opened the world's largest adhesives factory in Shanghai, China. The new production facility further expands the capacity of our Adhesive Technologies business sector in one of the most important emerging markets and enables it to deliver innovative adhesive technologies more quickly to the growing number of customers based in Asia while offering even higher levels of quality and service.

For the seventh consecutive year, Henkel has been listed as industry group leader in the Dow Jones Sustainability Index (DJSI World) and Dow Jones Sustainability Index Europe (DJSI Europe). Henkel again took first place in the Household & Personal Products category and remains the only company in its sector to feature in both the DJSI World and the DJSI Europe. The indices list corporations that follow the principles of sustainable development in their business operations.

In addition, Henkel was again confirmed as a member of the STOXX Global ESG Leaders indices which means it is one of the most sustainably operating companies as determined on the basis of ratings by international research agency Sustainalytics.

Share performance

Equity market performance was very positive in the third quarter of 2013. While the DAX gained 8 percent in the period, the Dow Jones Euro Stoxx Consumer Goods Index rose even further by 8.9 percent.

The price of Henkel preferred shares rose in the third quarter by 5.4 percent, from 72.25 euros to 76.17 euros. Our ordinary share price posted even stronger gains, ending the period 8.7 percent higher at 65.47 euros. Our ordinary shares performed as positively as the shares in the consumer goods sector and even somewhat better than the DAX. On the other hand, our preferred shares did not perform quite as well as the DAX and other shares representing the consumer goods sector.

The premium generated by the preferred share compared to the ordinary share during the third quarter averaged 18.2 percent.

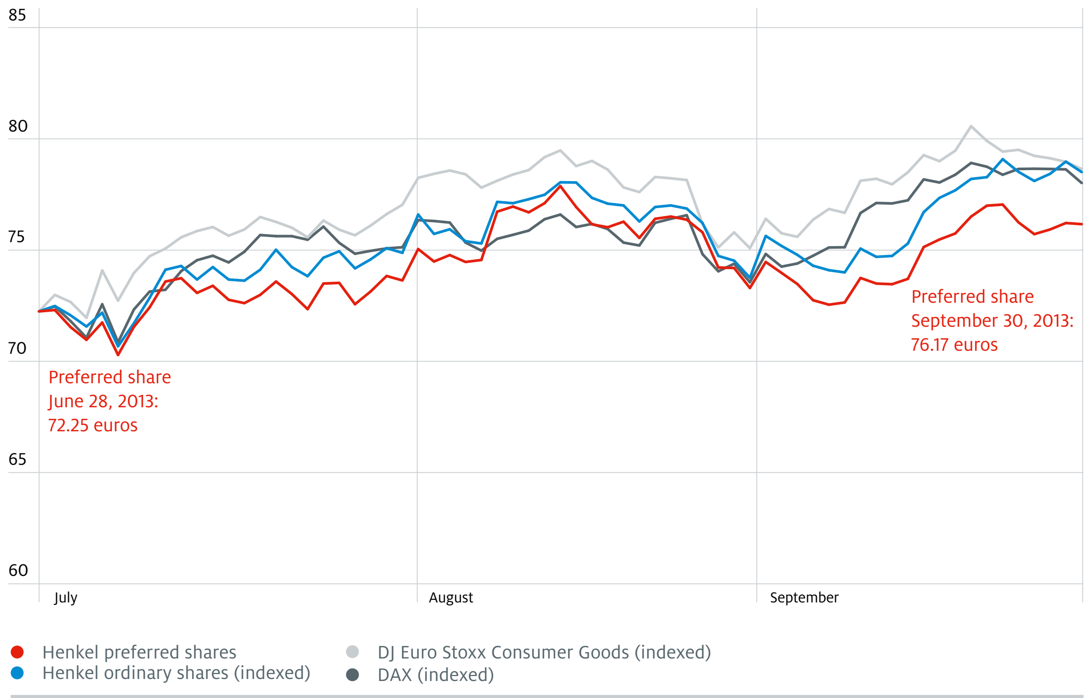
Key data on Henkel shares, third quarter

in euros	Q3/2012	Q3/2013
Earnings per share [1]		
Ordinary share	0.89	**1.05**
Preferred share	0.90	**1.06**
Share price at period end [2]		
Ordinary share	50.77	**65.47**
Preferred share	61.89	**76.17**
High for the period [2]		
Ordinary share	52.52	**65.95**
Preferred share	63.25	**77.88**
Low for the period [2]		
Ordinary share	43.78	**58.94**
Preferred share	52.37	**70.29**
Market capitalization [2] in bn euros	24.2	**30.6**
Ordinary shares in bn euros	13.2	**17.0**
Preferred shares in bn euros	11.0	**13.6**

[1] Prior-year figures adjusted in application of IAS 19 revised (see notes on page 33).
[2] Closing share prices, Xetra trading system.

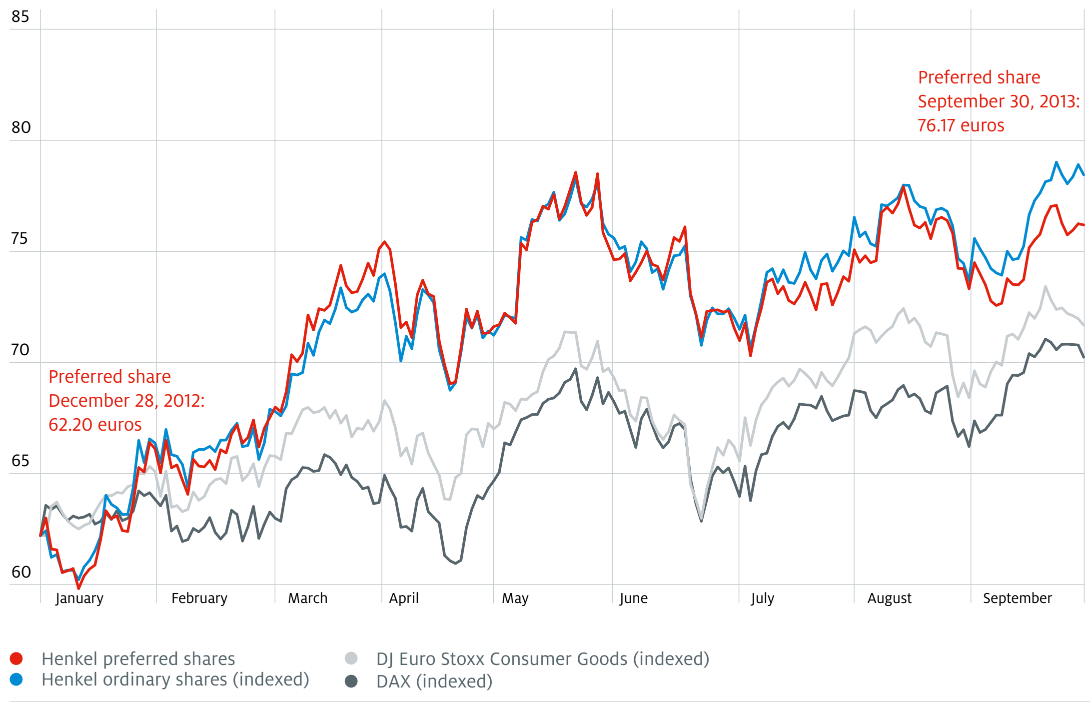
Performance of Henkel shares versus market third quarter 2013

in euros



Performance of Henkel shares versus market January through September 2013

in euros



Report third quarter 2013

Business performance third quarter 2013

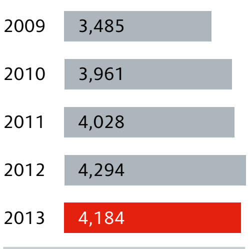
Key financials[1]

in million euros	Q3/2012[2]	Q3/2013	+/–
Sales	4,294	4,184	– 2.6 %
Operating profit (EBIT)	586	649	10.6 %
Adjusted[3] operating profit (EBIT)	631	672	6.5 %
Return on sales (EBIT)	13.6 %	15.5 %	1.9 pp
Adjusted[3] return on sales (EBIT)	14.7 %	16.1 %	1.4 pp
Net income – Attributable to shareholders of Henkel AG & Co. KGaA	390	458	17.4 %
Adjusted[3] net income – Attributable to shareholders of Henkel AG & Co. KGaA	422	476	12.8 %
Earnings per preferred share in euros	0.90	1.06	17.8 %
Adjusted[3] earnings per preferred share in euros	0.97	1.10	13.4 %
Adjusted[3] earnings per preferred share in euros (2012 before IAS 19 revised)	0.99	1.10	11.1 %

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted in application of IAS 19 revised.
[3] Adjusted for one-time charges/gains and restructuring charges.

Sales third quarter

in million euros



Results of operations

In the third quarter 2013, we achieved sales of 4,184 million euros, which were below the figure of the prior-year quarter due to negative exchange rate effects of 6.7 percent. Nominally, sales decreased by 2.6 percent. Adjusted for these effects, sales improved by 4.1 percent. Organically – i.e. after adjusting for foreign exchange and acquisitions/divestments – sales increased by 4.2 percent. We improved adjusted return on sales (EBIT) by 1.4 percentage points to 16.1 percent. Compared to the third quarter 2012, adjusted earnings per preferred share rose by 11.1 percent[1].

Sales development[1]

in percent	Q3/2013
Change versus previous year	**– 2.6**
Foreign exchange	**– 6.7**
After adjusting for foreign exchange	4.1
Acquisitions/divestments	– 0.1
Organic	4.2
of which price	0.4
of which volume	3.8

[1] Calculated on the basis of units of 1,000 euros.

[1] When applying IAS 19 revised to the prior-year quarter, growth amounts to 13.4 percent (see notes on page 33).

All three business sectors contributed to the gratifying growth in organic sales: The Laundry & Home Care business sector recorded a strong organic sales growth rate of 5.5 percent, which was driven by volume. Solid organic sales growth of 3.1 percent in the Beauty Care business sector was achieved through increases in both price and volume. The business sector Adhesive Technologies likewise recorded solid organic growth at 4.2 percent, driven by price and volume.

Price and volume effects third quarter 2013

in percent	Organic sales growth	of which price	of which volume
Laundry & Home Care	5.5	0.0	5.5
Beauty Care	3.1	0.5	2.6
Adhesive Technologies	4.2	0.6	3.6
Henkel Group	**4.2**	**0.4**	**3.8**

The scope of our business activities and competitive positions, as described in the Annual Report 2012 starting on page 47, did not change materially in the third quarter 2013.

Reconciliation from sales to adjusted operating profit[1]

in million euros	Q3/2012	%	Q3/2013	%	Change
Sales	**4,294**	**100.0**	**4,184**	**100.0**	**– 2.6 %**
Cost of sales	– 2,269	– 52.8	– 2,166	– 51.8	– 4.5 %
Gross profit	**2,025**	**47.2**	**2,018**	**48.2**	**– 0.3 %**
Marketing, selling and distribution expenses	– 1,096	– 25.5	– 1,057	– 25.2	– 3.5 %
Research and development expenses	– 99	– 2.3	– 99	– 2.4	0.0 %
Administrative expenses	– 186	– 4.3	– 192	– 4.6	2.7 %
Other operating income/charges	– 13	– 0.4	2	0.1	–
Adjusted operating profit (EBIT)	**631**	**14.7**	**672**	**16.1**	**6.5 %**

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.

In order to continuously adapt our structures to our markets and customers, we spent 19 million euros on restructuring (prior-year quarter: 45 million euros). We are expanding our shared services, and continue to optimize our production footprint.

In the following, we discuss our operating income and expense items up to operating profit, adjusted in each case for one-time charges/gains and restructuring charges. The reconciliation statement and the allocation of the restructuring charges between the various items of the consolidated statement of income can be found on page 27.

Compared to the third quarter 2012, the cost of sales declined by 4.5 percent to 2,166 million euros. Gross profit declined by 0.3 percent to 2,018 million euros. We were able to increase gross margin by 1 percentage point to 48.2 percent through slightly lower prices for raw materials, packaging, purchased goods and services, savings from cost-reduction measures, and improvements in production and supply chain efficiency.

Marketing, selling and distribution expenses decreased to 1,057 million euros (prior-year quarter: 1,096 million euros). Their share of sales remained slightly below the level of the prior-year quarter at 25.2 percent. In research and development we spent a total of 99 million euros, thereby raising the share of sales compared to the prior-year quarter by 0.1 percentage points to 2.4 percent. Administrative expenses accounted for 4.6 percent of sales, which is above the level for the prior-year quarter.

At 2 million euros, the balance of other operating income and charges remained at a low level.

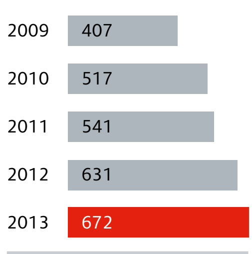
Adjusted operating profit (EBIT) increased by 6.5 percent, from 631 million euros to 672 million euros. All three business sectors contributed to this improved performance. We were able to record an excellent increase from 14.7 to 16.1 percent in adjusted return on sales for the Group. A particularly excellent improvement in margin was posted by the Adhesive Technologies business sector with an increase from 16.0 to 17.8 percent. In addition to the solid growth in organic sales, the reasons for this improvement include the strict alignment of our portfolio to innovative customer solutions, and efficiency improvements. The Laundry & Home Care business sector achieved excellent improvement in return on sales from 14.5 to 15.9 percent, resulting from a combination of strong organic sales growth and ongoing strict cost management. The Laundry & Home Care sector also benefited from lower

Adjusted gross margin third quarter

in percent of sales

Adjusted EBIT third quarter

in million euros



prices for raw materials, packaging, and purchased goods and services. In the Beauty Care business sector, we achieved a solid increase in margin of 0.2 percentage points to 14.9 percent, driven in particular by solid organic sales performance and ongoing strict cost management.

At –25 million euros, our financial result improved from the –52 million euros[1] reported for the prior-year quarter, mainly as a result of our improved net financial position and improved currency hedging results. Net interest expense for pension obligations also declined. The tax rate amounted to 24.8 percent (adjusted: 24.7 percent).

Net income for the quarter increased by 16.7 percent, from 402 million euros[1] to 469 million euros. After deducting income of 11 million euros attributable to non-controlling interests, net income for the quarter was 458 million euros (third quarter 2012: 390 million euros[1]). Adjusted net income for the quarter after deducting non-controlling interests was 476 million euros compared to 422 million euros[1] in the prior-year quarter. Earnings per preferred share (EPS) rose from 0.90 euros[1] to 1.06 euros. After adjustment, EPS amounted to 1.10 euros versus 0.97 euros[1] in the third quarter of 2012.

Adjusted earnings per preferred share third quarter

in euros

[1] Adjusted in application of IAS 19 revised.

[1] Adjusted in application of IAS 19 revised (see notes on page 33).

Regional performance

Henkel: Key figures by region[1] third quarter 2013

in million euros	Western Europe	Eastern Europe	Africa/ Middle East	North America	Latin America	Asia-Pacific	Corporate[2]	Henkel Group
Sales July – September 2013	**1,415**	**822**	**255**	**756**	**269**	**631**	**36**	**4,184**
Sales July – September 2012	1,423	825	265	790	272	680	39	**4,294**
Change from previous year	– 0.5 %	– 0.3 %	– 4.0 %	– 4.3 %	– 1.1 %	– 7.3 %	–	**– 2.6 %**
After adjusting for foreign exchange	0.4 %	6.1 %	22.4 %	2.3 %	12.5 %	1.6 %	–	**4.1 %**
Organic	0.7 %	6.2 %	23.1 %	2.2 %	12.5 %	1.8 %	–	**4.2 %**
Proportion of Henkel sales July – September 2013	**34 %**	**20 %**	**6 %**	**18 %**	**6 %**	**15 %**	**1 %**	**100 %**
Proportion of Henkel sales July – September 2012	33 %	19 %	6 %	19 %	6 %	16 %	1 %	**100 %**
Operating profit (EBIT) July – September 2013	**280**	**138**	**15**	**132**	**17**	**89**	**– 24**	**649**
Operating profit (EBIT) July – September 2012	196	132	19	130	20	115	– 24	**586**
Change from previous year	43.0 %	4.8 %	– 21.8 %	1.9 %	– 12.1 %	– 21.9 %	–	**10.6 %**
After adjusting for foreign exchange	43.5 %	12.3 %	23.5 %	8.1 %	21.2 %	– 14.6 %	–	**16.5 %**
Return on sales (EBIT) July – September 2013	**19.8 %**	**16.8 %**	**5.7 %**	**17.5 %**	**6.4 %**	**14.2 %**	**–**	**15.5 %**
Return on sales (EBIT) July – September 2012	13.8 %	16.0 %	7.0 %	16.4 %	7.2 %	16.8 %	–	**13.6 %**

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Corporate = sales and services not assignable to the individual regions and business sectors.

The following is a commentary on the reported results for the third quarter 2013:

In a highly competitive market environment, we increased our sales in the **Western Europe** region organically by 0.7 percent. We were able to compensate for the effects of the recessionary developments in Southern Europe.

The operating profit of the region improved – adjusted for foreign exchange – by 43.5 percent due to lower restructuring expense among other factors. Return on sales increased by 6.0 percentage points to 19.8 percent.

In the **Eastern Europe** region, we increased sales organically by 6.2 percent, with our businesses in Russia and Turkey making a major contribution.

The operating profit of the region increased – adjusted for foreign exchange – by 12.3 percent. We improved return on sales of the region by 0.8 percentage points to 16.8 percent.

In the **Africa/Middle East** region, our growth continued to be adversely affected by political and social unrest in some countries. We were, however, again able to achieve double-digit organic growth of 23.1 percent in the third quarter 2013, with major contributions coming from both Laundry & Home Care and Beauty Care.

The operating profit of the region rose – adjusted for foreign exchange – by 23.5 percent. Return on sales declined from 7.0 percent to 5.7 percent.

Sales in the **North America** region increased organically by 2.2 percent due to the solid performance of the Beauty Care and Adhesive Technologies business sectors.

We were able to increase the operating profit of the region – adjusted for foreign exchange – by 8.1 percent. Return on sales of the region increased by 1.1 percentage points to 17.5 percent.

Henkel: Key figures by region[1] first nine months 2013

in million euros	Western Europe	Eastern Europe	Africa/Middle East	North America	Latin America	Asia-Pacific	Corporate[2]	Henkel Group
Sales January – September 2013	**4,259**	**2,339**	**852**	**2,245**	**809**	**1,886**	**113**	**12,503**
Sales January – September 2012	4,284	2,271	803	2,302	805	1,925	117	12,508
Change from previous year	– 0.6 %	3.0 %	6.0 %	– 2.5 %	0.4 %	– 2.0 %	–	0.0 %
After adjusting for foreign exchange	0.1 %	6.4 %	19.6 %	1.3 %	8.4 %	3.1 %	–	3.7 %
Organic	0.0 %	6.4 %	19.8 %	1.0 %	8.3 %	3.1 %	–	3.6 %
Proportion of Henkel sales January – September 2013	**34 %**	**19 %**	**7 %**	**18 %**	**6 %**	**15 %**	**1 %**	**100 %**
Proportion of Henkel sales January – September 2012	34 %	18 %	6 %	19 %	7 %	15 %	1 %	100 %
Operating profit (EBIT) January – September 2013	**809**	**365**	**19**	**386**	**68**	**273**	**– 99**	**1,821**
Operating profit (EBIT) January – September 2012	652	339	67	353	69	302	– 75	1,707
Change from previous year	24.2 %	7.7 %	– 72.2 %	9.4 %	– 2.6 %	– 9.5 %	–	6.7 %
After adjusting for foreign exchange	24.4 %	11.8 %	– 51.1 %	12.7 %	10.7 %	– 5.1 %	–	9.6 %
Return on sales (EBIT) January – September 2013	**19.0 %**	**15.6 %**	**2.2 %**	**17.2 %**	**8.4 %**	**14.5 %**	**–**	**14.6 %**
Return on sales (EBIT) January – September 2012	15.2 %	14.9 %	8.4 %	15.3 %	8.6 %	15.7 %	–	13.6 %

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Corporate = sales and services not assignable to the individual regions and business sectors.

In the **Latin America** region, we achieved double-digit organic growth of 12.5 percent in the third quarter 2013. This excellent improvement was particularly attributable to business development in Brazil.

Adjusted for foreign exchange, operating profit improved by 21.2 percent. Return on sales in the region declined by 0.8 percentage points to 6.4 percent.

Sales in the **Asia-Pacific** region grew organically by 1.8 percent. Our strong performance in the emerging markets, especially China, was partially offset by declining sales in Japan.

Adjusted for foreign exchange, operating profit declined by 14.6 percent. Return on sales decreased by 2.6 percentage points versus the prior-year quarter, to 14.2 percent.

Sales growth was again given a particular boost by our performance in the **emerging markets** of Eastern Europe, Africa/Middle East, Latin America and Asia (excluding Japan). As a result of negative exchange rate effects, sales decreased by 1.1 percent to 1,865 million euros. Organically – i.e. adjusted for foreign exchange and acquisitions/divestments – sales increased by 9.1 percent with contributions from all three business sectors. The emerging markets accounted for 45 percent of Group sales (third quarter 2012: 44 percent).

Sales by region third quarter[1] / EBIT by region third quarter[1]

in million euros

Region	Year	Sales	EBIT
Western Europe	2012	1,423	196
	2013	1,415	280
Eastern Europe	2012	825	132
	2013	822	138
Africa/Middle East	2012	265	19
	2013	255	15
North America	2012	790	130
	2013	756	132
Latin America	2012	272	20
	2013	269	17
Asia-Pacific	2012	680	115
	2013	631	89

[1] Excluding Corporate.

Sales by region first nine months[1] / EBIT by region first nine months[1]

in million euros

Region	Year	Sales	EBIT
Western Europe	2012	4,284	652
	2013	4,259	809
Eastern Europe	2012	2,271	339
	2013	2,339	365
Africa/Middle East	2012	803	67
	2013	852	19
North America	2012	2,302	353
	2013	2,245	386
Latin America	2012	805	69
	2013	809	68
Asia-Pacific	2012	1,925	302
	2013	1,886	273

[1] Excluding Corporate.

Laundry & Home Care

Sales third quarter

in million euros

Key financials[1]

in million euros	Q3/2012	Q3/2013	+/–	1–9/2012	1–9/2013	+/–
Sales	1,194	**1,167**	– 2.2 %	3,448	**3,531**	+ 2.4 %
Proportion of Henkel sales	28 %	**28 %**		28 %	**28 %**	
Operating profit (EBIT)	168	**185**	+ 9.6 %	478	**527**	+ 10.2 %
Adjusted operating profit (EBIT)[2]	173	**186**	+ 7.6 %	500	**544**	+ 8.9 %
Return on sales (EBIT)	14.1 %	**15.8 %**	+ 1.7 pp	13.9 %	**14.9 %**	+ 1.0 pp
Adjusted return on sales (EBIT)[2]	14.5 %	**15.9 %**	+ 1.4 pp	14.5 %	**15.4 %**	+ 0.9 pp
Return on capital employed (ROCE)[3]	27.4 %	**32.6 %**	+ 5.2 pp	26.4 %	**30.1 %**	+ 3.7 pp

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted for one-time charges/gains and restructuring charges.
[3] Prior-year figures adjusted to reflect application of IAS 8 (see notes in the Annual Report 2012, pages 116 and 117).

Sales first nine months

in million euros

Sales development[1]

in percent	Q3/2013	1–9/2013
Change versus previous year	– 2.2	2.4
Foreign exchange	– 7.7	– 4.0
After adjusting for foreign exchange	5.5	6.4
Acquisitions/divestments	0.0	0.0
Organic	5.5	6.4
of which price	0.0	1.3
of which volume	5.5	5.1

[1] Calculated on the basis of units of 1,000 euros.

The **Laundry & Home Care** business sector recorded strong organic sales growth and an excellent increase in adjusted return on sales in the third quarter. Thus we were again able to generate profitable growth. Organically – i.e. adjusted for foreign exchange and acquisitions/divestments – sales increased by 5.5 percent.

In the following, we comment on our organic sales performance.

The strong sales performance was driven solely by our emerging markets, which again posted double-digit growth overall. We were able to achieve a double-digit increase in sales in the Africa/Middle East region despite persistent political and social unrest. The Eastern Europe region recorded strong sales growth, driven largely by the continued highly dynamic performance of Turkey. We were also able to increase sales strongly in the Latin America region, driven by strong growth in Mexico.

The mature markets continued to decline in the third quarter and were characterized by fierce promotional and price competition. In this challenging market environment, sales in the mature markets remained slightly below the compara-

Innovation

Somat / Pril Gel Caps

The new Somat Gel Caps – which are sold under the Pril brand in Italy – are the first capsules made by Henkel completely from gel. They dissolve quickly in the dishwasher and penetrate deep into the dirt, completely removing even tough residue. The result: a brilliant gel shine for dishes. The gel caps have been on the market in Italy since July and will be introduced in all relevant markets in Western and Eastern Europe by 2014.
www.pril.it

You can find further information relating to Laundry & Home Care product innovations on our website at:
www.henkel.com/brands-and-solutions

tive figure of the prior-year quarter. In Western Europe, growth was again hampered by the weaker countries of Southern Europe, which offset the solid performance in Germany. In North America, sales in a persistently declining market were slightly below the level of the prior-year quarter.

Overall, we succeeded in further expanding market shares in our relevant markets.

We increased adjusted operating profit (EBIT) by 7.6 percent despite negative foreign exchange effects. Adjusted return on sales reflected the excellent performance in the third quarter with an increase of 1.4 percentage points to 15.9 percent. Ongoing measures to reduce costs and enhance production and supply chain efficiency enabled us to offset the effects of continued strong promotional and price competition and to further increase our gross margin. We also benefited from generally lower prices for raw materials, packaging, and purchased goods and services. We posted an improvement in return on capital employed (ROCE) of 5.2 percentage points to 32.6 percent. The increase was mainly achieved through the rise in EBIT and a further improvement in net working capital, which we were able to reduce by 1.7 percentage points to –5.5 percent of sales.

We achieved a solid increase in sales in the *Laundry Care* business during the third quarter. We have continued the international roll-out of our innovative liquid detergent capsules with two separate chambers for brightness and stain removal, which have generated sustained growth stimulus in the strategically important premium heavy-duty detergent segment. We have also introduced new detergent variants under our Persil brand that combine proven Persil performance with a lasting lavender scent. In the value-for-money market segment, we launched liquid detergent capsules with single-chamber technology in the Czech Republic and Slovakia for the first time.

Growth of our fabric softeners in Eastern Europe was supported by the introduction of the Silan “Pure & Natural” variants.

The *Home Care* business recorded double-digit sales growth in the third quarter. Dynamic growth in the hand-dishwashing category was driven in particular by our core brand Pril. In the automatic dishwashing field, our innovative gel capsules were introduced in Italy for the first time under the Pril brand. The capsules will be rolled out in additional markets under the Somat brand in the coming quarters.

Our WC products again recorded double-digit growth, driven by Bref Power Activ, which is marketed in Germany under the WC Frisch brand. The global roll-out and growth of Power Activ continued with its recent introduction in Mexico.

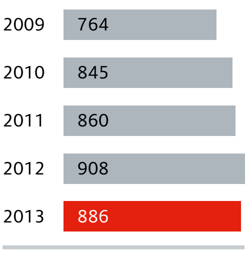
In the air freshener category, key in North America, we successfully positioned the newly designed cone-shaped line in 18 fragrances under the Renuzit brand. Growth in the insecticides category in South Korea has been stimulated by the introduction of Home Mat Compact Alpha, a highly efficient electric insecticide system with an innovative design.

Top brands

Beauty Care

Sales third quarter

in million euros



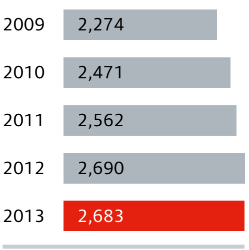
Key financials[1]

in million euros	Q3/2012	Q3/2013	+/–	1–9/2012	1–9/2013	+/–
Sales	908	**886**	– 2.4 %	2,690	**2,683**	– 0.3 %
Proportion of Henkel sales	21 %	**21 %**		21 %	**22 %**	
Operating profit (EBIT)	114	**122**	+ 7.5 %	365	**381**	+ 4.3 %
Adjusted operating profit (EBIT)[2]	133	**132**	– 0.8 %	390	**400**	+ 2.6 %
Return on sales (EBIT)	12.5 %	**13.8 %**	+ 1.3 pp	13.6 %	**14.2 %**	+ 0.6 pp
Adjusted return on sales (EBIT)[2]	14.7 %	**14.9 %**	+ 0.2 pp	14.5 %	**14.9 %**	+ 0.4 pp
Return on capital employed (ROCE)	21.4 %	**24.1 %**	+ 2.7 pp	22.9 %	**25.2 %**	+ 2.3 pp

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted for one-time charges/gains and restructuring charges.

Sales first nine months

in million euros



Sales development[1]

in percent	Q3/2013	1–9/2013
Change versus previous year	– 2.4	– 0.3
Foreign exchange	– 5.5	– 3.2
After adjusting for foreign exchange	3.1	2.9
Acquisitions/divestments	0.0	– 0.4
Organic	3.1	3.3
of which price	0.5	0.6
of which volume	2.6	2.7

[1] Calculated on the basis of units of 1,000 euros.

The **Beauty Care** business sector again recorded solid organic sales growth and a solid increase in adjusted return on sales in the third quarter. We thus continue our trend of profitable growth. Organically – i.e. adjusted for foreign exchange and acquisitions/divestments – we were able to grow sales by 3.1 percent compared to the prior-year quarter. The increase was once again higher than the growth rate of our relevant markets, enabling us to secure further market share.

In the following, we comment on our organic sales performance.

As in previous quarters, the solid sales performance was driven by our emerging markets where we reached double-digit sales growth. Particularly strong stimulus came from Latin America and Asia (excluding Japan). The Africa/Middle East and Eastern Europe regions also contributed to this performance with very strong growth in sales.

Developments in the mature markets were again negative in the third quarter and were characterized by increasingly strong promotional activity and price pressure. In this challenging competitive environment, sales were slightly below the level of the prior-year quarter. Against this trend of declining markets we achieved a solid increase in sales, par-

Innovation

Syoss Oleo Intense

Syoss Oleo Intense, the first permanent oil colorant without ammonia from Syoss, unites ultimate depth of color with optimal comfort and intensive care. The unique non-drip oil-in-cream formula provides supreme color intensity and up to 90 percent more shine – without ammonia, to optimize scalp comfort. The extra nutri-oil boost leaves hair softer, healthy-looking, and strong.
www.syoss.de

You can find further information relating to Beauty Care product innovations on our website at:
www.henkel.com/brands-and-solutions

ticularly in North America. Sales in Western Europe were flat in what continues to be a difficult market environment. In Japan our sales fell short of the level of the prior-year quarter.

Adjusted operating profit in the third quarter amounted to 132 million euros. Adjusted return on sales rose again compared to the prior-year quarter, improving by 0.2 percentage points to 14.9 percent. Price increases and ongoing measures to reduce costs and enhance production and supply chain efficiency enabled us to offset the effects of increasingly severe promotional competition, and to further increase our gross margin. The improvement in return on capital employed (ROCE) of 2.7 percentage points to 24.1 percent was due to operating profit and capital employed. Net working capital as a percent of sales remained flat versus the prior-year quarter.

Numerous innovations strengthened our businesses.

Our *Branded Consumer Goods* business again posted a solid sales increase in the third quarter. This was supported by successful innovations leading to further expansion of our market positions.

In the Hair Colorant business, Syoss Oleo Intense is an innovation setting a new standard in the market. Syoss Oleo Intense is the first ammonia-free permanent colorant from Syoss activated by pure oils; it provides brilliant color intensity and 90 percent more shine. Palette Deluxe was also introduced with an elixir of seven precious oils for intense color and up to 30 percent enhanced care.

In Hair Care, we expanded our product portfolio with Syoss Supreme Selection. Salon experts combined two lines of high-quality professional care into this new series: the Restore line for ultra-precise repair of damaged hair and the Revive line for intensive shine and color sealing.

Development of the Hair Styling business was fostered by the introduction of Taft Stylist Selection, the first Taft series in stylist quality.

In the third quarter, the focus in Body Care was on major innovations developed especially for men. Fa Men Attraction Force is the first Body Care series from Fa enriched with pheromones. We also introduced Right Guard Xtreme Aerosol, the first antiperspirant with extra strong protection against body odor for up to 72 hours.

In the Skin Care business, we launched the anti-age Lift+Skin Perfection line under the Diadermine brand. Highly effective anti-aging peptides and the collagen activator Lift+ perfect the skin's structure for an intensive lifting effect and visibly refined skin.

Theramed Pro Electric Total Repair for electric toothbrushes is the latest innovation in the Oral Care category. The revolutionary toothpaste repairs micro-defects in the tooth enamel thanks to liquid enamel technology.

In our *Hair Salon* business, sales were slightly below the level of the prior-year quarter. Although sales in our emerging markets showed double-digit growth rates, business performance was slowed by the strong decline in the mature markets, especially in Southern Europe.

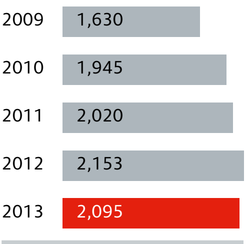
The introduction of Supreme Keratin underscored the innovative power of Schwarzkopf Professional worldwide. This salon-exclusive application, supplemented by a matching home care system, helps salons set themselves apart from the competition.

Top brands

Adhesive Technologies

Sales third quarter

in million euros



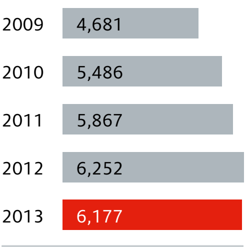
Key financials[1]

in million euros	Q3/2012	Q3/2013	+/–	1–9/2012	1–9/2013	+/–
Sales	2,153	**2,095**	– 2.7 %	6,252	**6,177**	– 1.2 %
Proportion of Henkel sales	50 %	**50 %**		50 %	**49 %**	
Operating profit (EBIT)	329	**365**	+ 11.2 %	939	**1,012**	+ 7.8 %
Adjusted operating profit (EBIT)[2]	345	**373**	+ 8.2 %	963	**1,055**	+ 9.5 %
Return on sales (EBIT)	15.3 %	**17.4 %**	+ 2.1 pp	15.0 %	**16.4 %**	+ 1.4 pp
Adjusted return on sales (EBIT)[2]	16.0 %	**17.8 %**	+ 1.8 pp	15.4 %	**17.1 %**	+ 1.7 pp
Return on capital employed (ROCE)	17.9 %	**21.5 %**	+ 3.6 pp	17.2 %	**19.7 %**	+ 2.5 pp

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted for one-time charges/gains and restructuring charges.

Sales first nine months

in million euros



Sales development[1]

in percent	Q3/2013	1–9/2013
Change versus previous year	– 2.7	– 1.2
Foreign exchange	– 6.7	– 3.8
After adjusting for foreign exchange	4.0	2.6
Acquisitions/divestments	– 0.2	0.3
Organic	4.2	2.3
of which price	0.6	0.8
of which volume	3.6	1.5

[1] Calculated on the basis of units of 1,000 euros.

The **Adhesive Technologies** business sector recorded solid organic sales growth and excellent development in adjusted return on sales in the third quarter. Organic growth – i.e. adjusted for foreign exchange and acquisitions/divestments – increased by 4.2 percent over the prior-year quarter despite the continuing weak development of the relevant industrial markets for Adhesive Technologies. We consistently pursued the further development of our portfolio in the reporting period and continued to withdraw from smaller, non-core activities with no strategic significance.

In the following, we comment on our organic sales performance.

In the emerging markets we recorded a strong increase in sales. Performance continued to be especially dynamic in the Latin America region where we were able to achieve a double-digit increase in sales thanks to Brazil. Strong increases in the Eastern European region also contributed to sales growth. We recorded a solid increase in sales in Asia (excluding Japan), and the development of our business in the Africa/Middle East region was also positive compared to the prior year.

We achieved solid performance in the mature markets despite the difficult market environ-

Innovation

Ceresit Impactum

Ceresit Impactum is an innovative external thermal insulation composite system (ETICS). As a facade product, it offers exceptional resistance to both weathering and mechanical stress. Aside from excellent heat retention, Ceresit Impactum also guarantees superb flexibility and endurance, leading to a substantial reduction in energy consumption and costs incurred for facade maintenance and repair.
www.ceresit-impactum.com

You can find further information relating to Adhesive Technologies product innovations on our website at:
www.henkel.com/brands-and-solutions

ment, with the largest gains coming from Western Europe. In North America our businesses once again recorded solid growth versus the previous year. In contrast, our sales in Japan fell short of the level of the prior-year quarter.

Compared to the prior-year quarter we were able to increase adjusted operating profit (EBIT) by 8.2 percent to 373 million euros. Adjusted return on sales reached 17.8 percent in the third quarter for the first time, reflecting another excellent performance with an increase of 1.8 percentage points in comparison to the prior-year quarter. Consistent development of our portfolio and ongoing measures to reduce costs and enhance production and supply chain efficiency enabled us to further increase our gross margin. Return on capital employed (ROCE) rose by 3.6 percentage points to 21.5 percent. Compared to the prior-year quarter, we improved our net working capital as a percentage of sales by –1.4 percentage points.

The *Adhesives for Consumers, Craftsmen and Building* business turned in a solid sales performance in the third quarter. Growth was driven mainly by our adhesives for home maintenance and repair. Within the market segment of products for the building industry, we introduced Ceresit Impactum in Central and Eastern Europe. This innovative composite system enables the design of facades that are both extremely durable and thermally insulating.

In the *Packaging and Consumer Goods Adhesives* business we also recorded a solid increase in sales, due in part to our strong presence in the emerging markets. Our business in adhesives for grocery and consumer goods packaging experienced especially dynamic growth. An additional impulse to growth came from our global alliance with the Nordson Corporation in the US, a market leader in precision dispensing equipment for adhesives, sealants, and coatings. As a result of this strategic cooperation, the new Freedom™ system is currently being introduced worldwide. The system provides our customers with the advantages of greater reliability and process efficiency, as well as significant energy savings.

The *Transport and Metal* business recorded a strong increase in sales despite persistently restrained development in the market, especially in Western Europe. Because our global presence allows us to stay in close proximity to key accounts, the growth of our business with major international customers was above average. Our surface treatment and structural adhesive products – both key components in automotive construction – performed particularly well.

In the *General Industry* business we achieved solid sales growth in the relevant markets, driven by our broad technological base and leading application expertise. The vehicle repair and maintenance unit again contributed to this growth. Our business model, which encompasses user and application training for customers as important components, supports the positive growth in sales.

Development in the *Electronics* business was mixed, with declining sales versus the prior-year quarter. On the one hand, performance was affected by the shift in consumer demand toward mobile devices that require fewer semiconductors than PCs. On the other hand, we achieved strong growth with our innovative solutions, for example, in the field of touch-sensitive sensor applications and in the further development of backlighting for displays.

Top brands

LOCTITE TEROSON TECHNOMELT

Financial report January through September 2013

Underlying economic conditions

The general economic conditions described here are based on data published by Feri EuroRating Services.

The world economy grew moderately by approximately 2 percent in the first nine months of 2013 compared to the prior-year period. Industrial production and private consumption also increased moderately by approximately 2 percent.

In the first nine months of 2013, both the North American and Japanese economies grew by around 1 percent. Western Europe's economy stagnated due to recessionary trends, especially in some countries of Southern Europe.

The emerging region of Asia (excluding Japan) increased its economic output by around 5 percent. Latin America registered growth of around 3 percent. Due in particular to a lower level of demand from Western Europe, economic growth in Eastern Europe was sluggish at approximately 1 percent.

The euro appreciated against the US dollar, from 1.28 to 1.32 US dollars, in the first nine months of 2013 versus the prior-year period. Around the world, consumer prices rose by around 3 percent. Global unemployment was on a par with the prior-year period at approximately 7 percent.

Sectors of importance for Henkel

With a rise of approximately 2 percent, private consumption in the first nine months of 2013 remained moderate. Consumers in North America increased their spend by approximately 2 percent versus the prior-year period. In Western Europe, consumer spending remained at the level of the prior-year period. The emerging markets demonstrated a higher propensity to spend, with consumption increasing by around 4 percent.

With an increase of approximately 2 percent in the first nine months, industrial production expanded at the level of the overall economy. The increase of 1.5 percent in production in the transport sector was significantly weaker than in the prior-year period. Production in the electronics industry rose by around 3 percent. The metal industry recorded positive growth of approximately 3 percent in the first nine months of 2013. Development was modest in the consumer-related sectors, such as the global packaging industry, which remained flat. Global construction recorded an increase in output of approximately 2 percent in the first nine months of this year.

Effects on Henkel

In conditions characterized by modest private spending, we managed to achieve significant organic sales growth in our consumer businesses. Between January and September 2013, organic sales in the business sector Adhesive Technologies grew with 2.3 percent at the same level as industrial production.

We were again able to increase our gross margin versus the prior-year period based on a slight decline in prices for raw materials, packaging, and purchased goods and services as well as ongoing strict cost discipline.

Business performance January through September 2013

Key financials[1]

in million euros	1–9/2012[2]	1–9/2013	+/–
Sales	12,508	12,503	0.0 %
Operating profit (EBIT)	1,707	1,821	6.7 %
Adjusted[3] operating profit (EBIT)	1,791	1,932	7.8 %
Return on sales (EBIT)	13.6 %	14.6 %	1.0 pp
Adjusted[3] return on sales (EBIT)	14.3 %	15.5 %	1.2 pp
Net income – Attributable to shareholders of Henkel AG & Co. KGaA	1,145	1,269	10.8 %
Adjusted[3] net income – Attributable to shareholders of Henkel AG & Co. KGaA	1,203	1,354	12.6 %
Earnings per preferred share in euros	2.65	2.93	10.6 %
Adjusted[3] earnings per preferred share in euros	2.78	3.13	12.6 %
Adjusted[3] earnings per preferred share in euros (2012 before IAS 19 revised)	2.83	3.13	10.6 %

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted in application of IAS 19 revised.
[3] Adjusted for one-time charges/gains and restructuring charges.

Results of operations

Sales in the first nine months of 2013 were on the same level as in the prior-year period at 12,503 million euros. After adjusting for foreign exchange, sales improved by 3.7 percent. With growth of 3.6 percent, organic sales – i.e. after adjusting for foreign exchange and acquisitions/divestments – showed a solid rate of increase compared to the first nine months of 2012.

Sales development[1]

in percent	1–9/2013
Change versus previous year	0.0
Foreign exchange	– 3.7
After adjusting for foreign exchange	3.7
Acquisitions/divestments	0.1
Organic	3.6
of which price	0.9
of which volume	2.7

[1] Calculated on the basis of units of 1,000 euros.

All three business sectors contributed to this solid organic development with increases in prices and volumes: The Laundry & Home Care business sector recorded a strong organic sales growth rate of 6.4 percent. The Beauty Care business sector achieved solid organic sales growth of 3.3 percent. The Adhesive Technologies business sector also generated solid organic growth of 2.3 percent.

Price and volume effects first nine months 2013

in percent	Organic sales growth	of which price	of which volume
Laundry & Home Care	6.4	1.3	5.1
Beauty Care	3.3	0.6	2.7
Adhesive Technologies	2.3	0.8	1.5
Henkel Group	**3.6**	**0.9**	**2.7**

In the first nine months of 2013, we saw no material changes with respect to the scope of our business activities and our competitive positions from those described in our Annual Report 2012 (starting on page 47).

In order to continuously adapt our structures to our markets and customers, we spent another 76 million euros on restructuring (first nine months of 2012: 84 million euros). We are expanding our shared service centers, and continue to optimize our production footprint.

In the following, we discuss our operating income and expense items up to operating profit, adjusted in each case for one-time charges/gains and restructuring charges. The reconciliation statement and the allocation of the restructuring charges between the various items of the statement of income can be found on page 28.

Compared to the first nine months of 2012, the cost of sales declined by 2.1 percent to 6,452 million

Sales first nine months

in million euros

Reconciliation from sales to adjusted operating profit[1]

in million euros	1–9/2012	%	1–9/2013	%	Change
Sales	**12,508**	**100.0**	**12,503**	**100.0**	**0.0%**
Cost of sales	– 6,591	– 52.7	6,452	– 51.6	– 2.1%
Gross profit	**5,917**	**47.3**	**6,051**	**48.4**	**2.3%**
Marketing, selling and distribution expenses	– 3,255	– 26.1	– 3,268	– 26.1	0.4%
Research and development expenses	– 304	– 2.4	– 309	– 2.4	1.6%
Administrative expenses	– 555	– 4.4	– 575	– 4.6	3.6%
Other operating income/charges	– 12	– 0.1	33	0.2	–
Adjusted operating profit (EBIT)	**1,791**	**14.3**	**1,932**	**15.5**	**7.8%**

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.

Adjusted gross margin first nine months

in percent of sales

euros. Gross profit rose by 2.3 percent to 6,051 million euros. We were able to increase gross margin by 1.1 percentage point to 48.4 percent through slightly lower prices for raw materials, packaging, and traded goods and services, as well as selective price increases, savings from cost-reduction measures, and improvements in production and supply chain efficiency.

Marketing, selling and distribution expenses increased to 3,268 million euros (prior-year period: 3,255 million euros). Their share of sales thus remained on a par with the prior-year period at 26.1 percent. We spent a total of 309 million euros on research and development, thus keeping the share of sales constant at 2.4 percent. Administrative expenses accounted for 4.6 percent of sales, which is slightly above the figure for the first nine months of 2012.

The balance of other operating income and charges was 33 million euros and was affected by numerous issues, such as gains from the disposal of non-current assets, and government grants received.

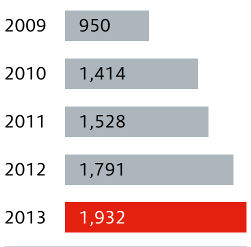
Adjusted operating profit (EBIT) increased by 7.8 percent, from 1,791 to 1,932 million euros. All three business sectors contributed to this improved performance. We succeeded in increasing adjusted return on sales for the Group from 14.3 percent to 15.5 percent. An excellent improvement in margin was posted by the Adhesive Technologies business sector with an increase of 1.7 percentage points to 17.1 percent. The reasons for this improvement include the strict alignment of our portfolio to innovative customer solutions, and efficiency improvements. The Laundry & Home Care business sector experienced a very strong increase in return on sales from 14.5 to 15.4 percent based in particular on strong sales growth and ongoing strict cost management. In the Beauty Care business sector, we achieved a strong margin improvement of 0.4 percentage points to 14.9 percent on the basis of solid sales performance and ongoing strict cost management.

The financial result improved from – 143 million euros[1] to – 82 million euros, mainly as a result of our improved net financial position and improved currency hedging results. Net interest expense for pension obligations also declined. The tax rate amounted to 25.0 percent (adjusted: 24.9 percent).

Net income for the nine months increased by 10.8 percent, from 1,177 million euros[1] to 1,304 million euros. After deducting income of 35 million euros attributable to non-controlling interests, net income for the first nine months was

Adjusted EBIT first nine months

in million euros



Guidance versus performance 2013

	Updated guidance 2013	Performance first nine months 2013
Organic sales growth	Henkel Group: 3–5 percent Business sectors: 3–5 percent each	Henkel Group: 3.6 percent Laundry & Home Care: 6.4 percent Beauty Care: 3.3 percent Adhesive Technologies: 2.3 percent
Adjusted return on sales	Increase to about 15 percent	Increase to 15.5 percent
Adjusted earnings per preferred share	Increase of about 10 percent	Increase of 10.6 percent[2]

[1] Adjusted in application of IAS 19 revised (see notes on page 33).
[2] When applying IAS 19 revised in the first nine months of 2012, growth amounts to 12.6 percent (see notes on page 33).

1,269 million euros (first nine months 2012: 1,145 million euros [1]). Adjusted net income for the first nine months after deducting non-controlling interests was 1,354 million euros compared to 1,203 million euros [1] in the first nine months of 2012. We increased earnings per preferred share (EPS) from 2.65 euros [1] to 2.93 euros. After adjustment, EPS amounted to 3.13 euros versus 2.78 euros [1] in the prior-year period.

Comparison between guidance and actual business performance

In our report for fiscal 2012, we published guidance for fiscal 2013 indicating that we expected to achieve organic sales growth of between 3 and 5 percent. For adjusted return on sales (EBIT), we forecasted an increase to about 14.5 percent, and for adjusted earnings per preferred share, we anticipated a rise of about 10 percent (2012: 3.70 euros).

We continue to expect Henkel Group to generate organic sales growth of between 3 and 5 percent in fiscal 2013. We specify our guidance for adjusted return on sales (EBIT): We now expect an adjusted return on sales of about 15 percent. We confirm our guidance for an increase in adjusted earnings per preferred share of about 10 percent (2012: 3.70 euros).

Net assets

Compared to year-end 2012, total assets were virtually constant at 19.5 billion euros.

Under **non-current assets,** intangible assets decreased by –292 million euros, mainly as a result of currency translation. Under property, plant and equipment, which was down slightly, capital expenditures amounted to 267 million euros versus depreciation of 218 million euros. Foreign currency translation caused the value of property, plant and equipment to decrease by –65 million euros.

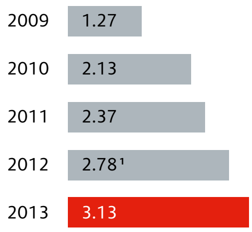
Current assets grew from 7.6 billion euros to 8.0 billion euros, due mainly to higher inventories and increased trade accounts receivable. In contrast, other financial assets decreased due to the partial disposal of securities and time deposits. Cash and cash equivalents decreased by 197 million euros to 1.0 billion euros.

Compared to the end of fiscal 2012, **equity** including non-controlling interests increased by 601 million euros to 10,112 million euros. The individual components influencing equity development are shown in the table on page 29. The increase is essentially due to net income for the first nine months in the amount of 1.3 billion euros. The dividend payment of Henkel AG & Co. KGaA reduced the overall increase, however. The equity ratio (equity as a percentage of total assets) increased from 48.7 to 51.9 percent.

The decline in **non-current liabilities** of 1.2 billion euros to 3.0 billion euros is due to the reclassification as current borrowings of our senior bond, maturing in March 2014, with a redemption value of 1.0 billion euros. As of September 30, 2013, our hybrid bond with a redemption value of 1.3 billion euros continues to be recognized under non-current borrowings.

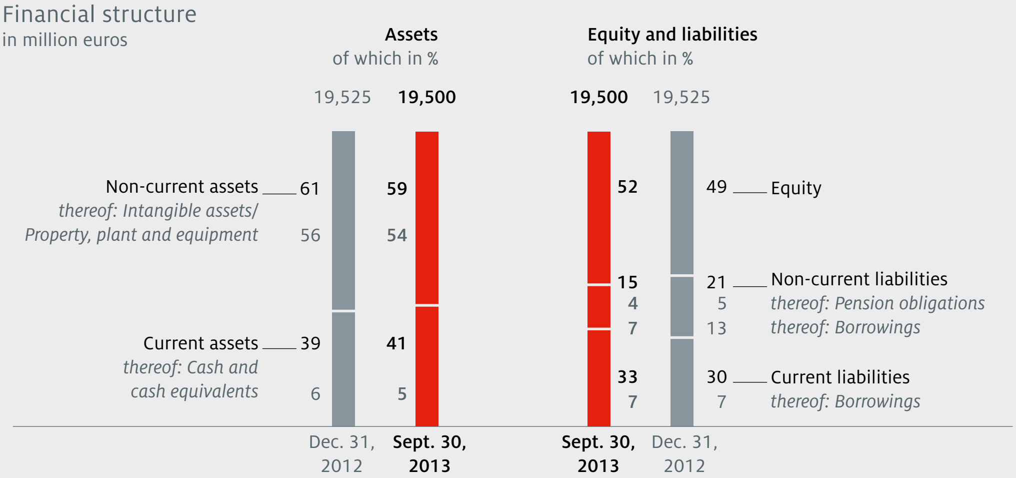
Adjusted earnings per preferred share first nine months

in euros



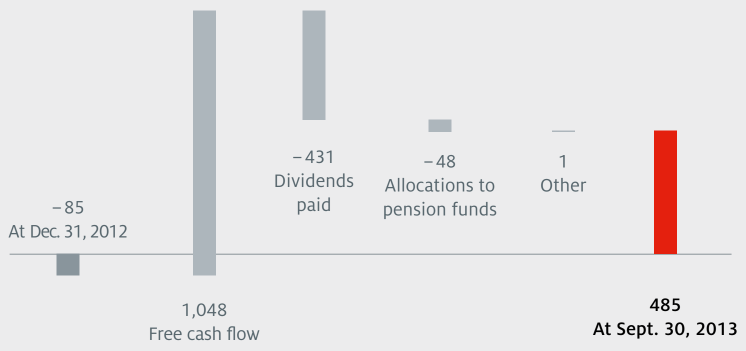
[1] Adjusted in application of IAS 19 revised.

Financial structure
in million euros



[1] Adjusted in application of IAS 19 revised (see notes on page 33).

Net financial position
in million euros



Key financial ratios

	Dec. 31, 2012	Sept. 30, 2013
Operating debt coverage[1,2] (net income + depreciation, impairment, write-ups + interest portion of pension provisions) / net borrowings and pension obligations	> 500 %	**not calculable**[3]
Interest coverage ratio[2] EBITDA / interest result including interest portion of pension obligations	14.3	**26.1**
Equity ratio equity / total assets	48.7 %	**51.9 %**

[1] Hybrid bond included on 50 percent debt basis.
[2] Prior-year figures adjusted in application of IAS 19 revised (see notes on page 33).
[3] Figure cannot be calculated due to our positive net financial position.

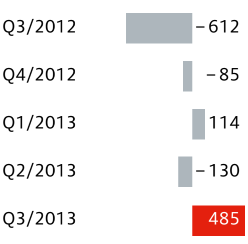
Compared to December 31, 2012, **current liabilities** increased by 0.6 billion euros to 6.4 billion euros. The current borrowings were impacted in the reporting period by the reclassification of our senior bond maturing in March 2014. As a countervailing effect, current borrowings decreased due to the repayment of our senior bond maturing in June 2013. In addition, the increase in current liabilities is also due to higher trade accounts payable and current provisions. In line with the development in current assets, these were higher than at the end of 2012.

Effective September 30, 2013, our **net financial position**[1] has changed from showing a net debt to showing a net cash position of 485 million euros. At December 31, 2012, net debt stood at 85 million euros.

Operating debt coverage in the reporting period was well above the target of 50 percent due to our net cash position. Our interest coverage ratio also further improved, boosted by the lower negative interest result.

Net financial position[1]

in million euros



Financial position

The development of our financial position is indicated in detail in the consolidated statement of cash flows on page 30.

At 1,374 million euros, **cash flow from operating activities** in the first nine months of 2013 fell short of the very high level for the prior-year period (1,766 million euros). The slightly increased operating profit and lower income taxes paid were offset by higher outflows for trade accounts receivable and inventories. Higher payments for variable employee remuneration additionally reduced this figure.

To provide a clearer picture of the financial position of the Henkel Group, we have adapted our definition of net working capital, starting with the first quarter 2013, and now include additional customer- and supplier-related receivables and liabilities when calculating the figure. The figure for the previous year has been calculated on a comparable basis. Net working capital[2] relative to sales improved year on year by 1.4 percentage points to 4.5 percent.

[1] Cash and cash equivalents plus readily monetizable financial instruments classified as "available for sale" or using the "fair value option," less borrowings, plus positive and less negative fair values of hedging transactions.

[2] Inventories plus payments on account, receivables from suppliers and trade accounts receivable, less trade accounts payable, liabilities to customers and current sales provisions.

The cash outflow in **cash flow from investing activities** (–217 million euros) was lower than in the first nine months of 2012 (–358 million euros), mainly due to fewer acquisitions of subsidiaries and other business units compared to the prior-year period. There were also higher proceeds arising from the disposal of subsidiaries.

At –1,298 million euros, the cash outflow in **cash flow from financing activities** was significantly below the cash outflow in the prior-year period (–1,465 million euros), despite the redemption of our senior bond in June 2013 and higher dividend payments. Cash outflow in the prior-year period was mainly due to high investments in short-term securities and time deposits, recognized under other financing transactions. In the reporting period, proceeds from the partial disposal of these securities and time deposits were used to redeem our senior bond. The cash flow from financing activities also benefited from short-term borrowings.

Cash and cash equivalents in the consolidated statement of cash flows decreased compared to December 31, 2012 by 187 million euros to 1,051 million euros.

At 1,048 million euros, **free cash flow** decreased compared to the first nine months of 2012 (1,338 million euros) as a result of the lower cash flow from operating activities.

Capital expenditures

Capital expenditures on property, plant and equipment for continuing operations amounted to 267 million euros and were therefore on the same level as in the prior-year period. We invested 26 million euros in intangible assets (prior-year period: 20 million euros). The majority of these capital expenditures was attributable to the Adhesive Technologies and Laundry & Home Care business sectors. Around three quarters of the expenditure was channeled into expansion projects and rationalization measures, for example the introduction of innovative product lines and optimization of our production structure and business processes.

Major individual projects in 2013 to date:

- Construction of an automatic high-bay warehouse as central storage for Germany in Düsseldorf, Germany (Laundry & Home Care),
- Erection of a filling line for innovative packaging for hair colorants in Viersen, Germany (Beauty Care),
- Building of a factory for the manufacture of construction products in Stavropol, Russia (Adhesive Technologies),
- Building of injection molding systems for the production of functional components for the automotive industry in Richmond, Virginia, USA (Adhesive Technologies),
- Consolidation of production sites and expansion of production capacities in Shanghai, China (Adhesive Technologies),
- Consolidation and optimization of our IT system architecture for managing business processes in Asia-Pacific.

In regional terms, capital expenditures focused primarily on Western Europe, Eastern Europe and Asia.

Capital expenditures first nine months 2013

in million euros	Continuing operations	Acquisitions	Total
Intangible assets	26	4	30
Property, plant and equipment	267	–	267
Total	**293**	**4**	**297**

Acquisitions and divestments

Effective September 4, 2013, we completed an acquisition in the Hair Care business in South Africa. The acquisition is aimed at further strengthening our presence in our emerging markets.

There were no changes in our business and organizational structures. For a detailed description of our organization and business activities, please refer to the information provided in our Annual Report 2012 (starting on page 47).

Our long-term rating remains at "A flat" (Standard & Poor's) and "A2" (Moody's). These are also our target ratings. Looking forward, we intend not to jeopardize them when assessing possible acquisitions.

Employees by region

- 31 % Western Europe
- 21 % Eastern Europe
- 19 % Asia-Pacific
- 10 % Africa/Middle East
- 11 % North America
- 8 % Latin America

R&D expenditures by business sector

- 22 % Laundry & Home Care
- 14 % Beauty Care
- 64 % Adhesive Technologies

Employees

As of September 30, 2013, we had 46,838 employees (September 30, 2012: 46,813).

In the first nine months of this fiscal year, we continued to expand our shared service centers and, in keeping with this strategy, we increased the number of our employees in the emerging markets of Eastern Europe, Latin America, and Asia-Pacific (excluding Japan).

Research and development

In the first nine months of this fiscal year, research and development expenditure amounted to 312 million euros (adjusted for restructuring charges: 309 million euros) compared to 306 million euros (adjusted: 304 million euros) in the prior-year period. Relative to sales, research and development expenditures were unchanged compared to the prior-year period at 2.5 percent. Adjusted for restructuring expenses, the ratio remained constant at 2.4 percent.

The development of innovative products is of key importance to our business model. The research and development strategy described in our Annual Report 2012 (starting on page 74) has remained unchanged.

Outlook

Our assessment of future world economic development is based on data provided by Feri Euro-Rating Services.

We continue to expect the global economy to register only moderate growth in 2013, and assume that gross domestic product will increase by approximately 2 percent.

We expect the mature markets to grow modestly by approximately 1 percent. The North American and Japanese economies are likely to grow by approximately 2 percent. We expect growth in Western Europe to remain constant in 2013, following a slight decline in 2012.

The emerging markets will once again achieve comparatively strong economic growth of around 4 percent in 2013. In the case of Asia (excluding Japan), we expect economic output to increase by approximately 5 percent, with Latin America likely posting a plus of approximately 3 percent. Eastern Europe should grow by around 1 percent. For the Africa/Middle East region, we expect economic growth of around 3 percent.

Global inflation should be around 3.5 percent in 2013. While we can continue to expect a high degree of price stability for the mature markets with a rise of around 1 percent, the inflation rate in the emerging markets is likely to average approximately 6 percent.

Private consumption is expected to increase by approximately 2 percent globally in 2013. Consumers in the mature markets are likely to spend around 1 percent more than in the previous year. The emerging markets should again demonstrate a higher propensity to spend with a gain of approximately 4 percent in 2013.

Industry will grow globally by approximately 3 percent compared to the previous year and, as such, faster than the overall economy.

We expect the transport industry to register a plus of approximately 3.5 percent. Production in the electronics industry, an important customer sector for Henkel, is likely to increase by approximately 3.5 percent, putting it above the level of 2012. Production in the metals industry is likely to expand by approximately 3.5 percent. Development in consumer-related sectors, such as the global packaging industry, is likely to be stronger than the previous year, with growth according to our estimates in the low single-digit range. We expect global construction to expand by approximately 2 percent.

Opportunities and risks

An assessment of the opportunities and risks in the first nine months of 2013 did not produce any substantial changes compared to our statements in the Annual Report 2012. The current estimate of the risk from legal disputes is taken into account in these financial statements. For an explanation of the opportunities and risks, please consult the risk report beginning on page 92 and the "Opportunities" section on page 100 in our Annual Report 2012.

At the time of preparing this report no risks in relation to future developments have been identified that might jeopardize the continuing existence of the company or of the Group as a going concern. The situation with respect to our legal action against the fine of 92 million euros imposed by the French antitrust authorities remains unchanged.

Outlook for the Henkel Group 2013

We expect the Henkel Group to generate organic sales growth of between 3 and 5 percent in fiscal 2013. We are confident that each business sector will grow within this range.

Starting point for this is our strong competitive position, which we will continue to consolidate and foster through our innovative strength, our strong brands, our leading market presence and the quality of our portfolio. Our market position and adaptation of our structures to constantly changing market conditions, coupled with the expected increase in sales, will have a positive impact on our earnings performance.

Henkel further specifies its guidance for adjusted return on sales (EBIT) from about 14.5 percent to about 15 percent (2012: 14.1 percent) and assumes that all business sectors will contribute to the increase over the prior year. We maintain our expectation for an increase in adjusted earnings per preferred share of about 10 percent (2012: 3.70 euros).

We also continue to expect the following developments in 2013:

- Prices for raw materials, packaging and purchased goods and services stable year on year (previously: moderate increase)
- Restructuring charges of around 125 million euros
- Investments in property, plant and equipment of around 450 million euros (previously: around 500 million euros)

Outlook 2013

Organic sales growth

3 – 5 %

Adjusted return on sales

~ 15 %

Growth in adjusted earnings per preferred share

~ 10 %

Subsequent events

After September 30, 2013, there were no notifiable events likely to materially affect the net assets, financial position or results of operations of the Group.

Interim consolidated financial statements

Consolidated statement of financial position

Assets

in million euros	Sept. 30, 2012	%	Dec. 31, 2012	%	Sept. 30, 2013	%
Intangible assets	8,835	44.6	8,645	44.3	8,353	42.8
Property, plant and equipment	2,310	11.6	2,314	11.9	2,267	11.6
Other financial assets	233	1.2	258	1.3	210	1.1
Income tax refund claims	1	–	1	–	6	–
Other assets	119	0.7	117	0.6	107	0.6
Deferred tax assets	527	2.6	592	3.0	517	2.7
Non-current assets	**12,025**	**60.7**	**11,927**	**61.1**	**11,460**	**58.8**
Inventories	1,554	7.9	1,478	7.6	1,580	8.1
Trade accounts receivable	2,298	11.6	2,021	10.4	2,695	13.8
Other financial assets [1]	1,637	8.3	2,443	12.5	2,294	11.8
Income tax refund claims	150	0.7	164	0.8	130	0.7
Other assets	208	1.1	216	1.1	252	1.3
Cash and cash equivalents	1,900	9.6	1,238	6.3	1,041	5.3
Assets held for sale	23	0.1	38	0.2	48	0.2
Current assets [1]	**7,770**	**39.3**	**7,598**	**38.9**	**8,040**	**41.2**
Total assets [1]	**19,795**	**100.0**	**19,525**	**100.0**	**19,500**	**100.0**

Equity and liabilities

in million euros	Sept. 30, 2012	%	Dec. 31, 2012	%	Sept. 30, 2013	%
Issued capital	438	2.2	438	2.2	438	2.2
Capital reserve	652	3.3	652	3.4	652	3.3
Treasury shares	– 91	– 0.5	– 91	– 0.5	– 91	– 0.5
Retained earnings [1]	9,165	46.3	9,381	48.0	10,293	52.9
Other components of equity	– 899	– 4.5	– 1,004	– 5.1	– 1,313	– 6.7
Equity attributable to shareholders of Henkel AG & Co. KGaA	**9,265**	**46.8**	**9,376**	**48.0**	**9,979**	**51.2**
Non-controlling interests	123	0.6	135	0.7	133	0.7
Equity [1]	**9,388**	**47.4**	**9,511**	**48.7**	**10,112**	**51.9**
Pension obligations	1,187	6.0	960	4.9	866	4.4
Income tax provisions	84	0.4	66	0.3	65	0.3
Other provisions	302	1.5	265	1.4	293	1.5
Borrowings	2,464	12.5	2,454	12.6	1,394	7.1
Other financial liabilities	27	0.1	16	0.1	1	–
Other liabilities	21	0.1	18	0.1	15	0.1
Deferred tax liabilities	457	2.3	449	2.3	386	2.0
Non-current liabilities	**4,542**	**22.9**	**4,228**	**21.7**	**3,020**	**15.4**
Income tax provisions	236	1.2	189	1.0	200	1.1
Other provisions	1,040	5.3	1,264	6.5	1,458	7.5
Borrowings	1,486	7.5	1,320	6.7	1,362	7.0
Trade accounts payable	2,722	13.8	2,647	13.6	2,943	15.1
Other financial liabilities	93	0.5	111	0.6	82	0.4
Other liabilities	261	1.3	219	1.1	277	1.4
Income tax liabilities	27	0.1	27	0.1	24	0.1
Liabilities held for sale	–	–	9	–	22	0.1
Current liabilities	**5,865**	**29.7**	**5,786**	**29.6**	**6,368**	**32.7**
Total equity and liabilities [1]	**19,795**	**100.0**	**19,525**	**100.0**	**19,500**	**100.0**

[1] Figures as of September 30, 2012 adjusted in application of IAS 8 (see notes in the Annual Report 2012 on pages 116 and 117).

Consolidated statement of income

in million euros		Q3/2012 [1]	%	Q3/2013	%	Change
Sales		**4,294**	**100.0**	**4,184**	**100.0**	**– 2.6 %**
Cost of sales [2]		– 2,277	– 53.0	– 2,175	– 52.0	– 4.5 %
Gross profit		**2,017**	**47.0**	**2,009**	**48.0**	**– 0.4 %**
Marketing, selling and distribution expenses [2]		– 1,106	– 25.8	– 1,059	– 25.3	– 4.2 %
Research and development expenses [2]		– 99	– 2.3	– 101	– 2.4	2.0 %
Administrative expenses [2]		– 213	– 5.0	– 202	– 4.8	– 5.2 %
Other operating income		24	0.6	19	0.4	– 20.8 %
Other operating charges		– 37	– 0.9	– 17	– 0.4	– 54.1 %
Operating profit (EBIT)		**586**	**13.6**	**649**	**15.5**	**10.6 %**
Interest income		12	0.3	3	0.1	– 75.0 %
Interest expense		– 64	– 1.5	– 28	– 0.7	– 56.3 %
Interest result		– 52	– 1.2	– 25	– 0.6	– 51.9 %
Investment result		–	–	–	–	–
Financial result		**– 52**	**– 1.2**	**– 25**	**– 0.6**	**– 51.9 %**
Income before tax		**534**	**12.4**	**624**	**14.9**	**16.9 %**
Taxes on income		– 132	– 3.1	– 155	– 3.7	17.4 %
Tax rate in %		*24.7*		*24.8*		
Net income		**402**	**9.4**	**469**	**11.2**	**16.7 %**
– Attributable to non-controlling interests		– 12	– 0.3	– 11	– 0.3	– 8.3 %
– Attributable to shareholders of Henkel AG & Co. KGaA		390	9.1	458	10.9	17.4 %
Earnings per ordinary share – basic and diluted	in euros	0.89		1.05		18.0 %
Earnings per preferred share – basic and diluted	in euros	0.90		1.06		17.8 %
Earnings per ordinary share – basic and diluted (2012 before IAS 19 revised)	in euros	0.91		1.05		15.4 %
Earnings per preferred share – basic and diluted (2012 before IAS 19 revised)	in euros	0.92		1.06		15.2 %

Additional voluntary information

in million euros		Q3/2012 [1]	Q3/2013	Change
EBIT (as reported)		**586**	**649**	**10.6 %**
One-time gains		–	–	–
One-time charges		–	4	–
Restructuring charges		45	19	–
Adjusted EBIT		**631**	**672**	**6.5 %**
Adjusted return on sales	***in %***	***14.7***	***16.1***	***1.4 pp***
Adjusted tax rate	***in %***	***25.0***	***24.7***	***– 0.3 pp***
Adjusted net income – Attributable to shareholders of Henkel AG & Co. KGaA		**422**	**476**	**12.8 %**
Adjusted earnings per ordinary share	**in euros**	**0.96**	**1.09**	**13.5 %**
Adjusted earnings per preferred share	**in euros**	**0.97**	**1.10**	**13.4 %**
Adjusted net income – Attributable to shareholders of Henkel AG & Co. KGaA (2012 before IAS 19 revised)		**429**	**476**	**11.0 %**
Adjusted earnings per ordinary share (2012 before IAS 19 revised)	**in euros**	**0.98**	**1.09**	**11.2 %**
Adjusted earnings per preferred share (2012 before IAS 19 revised)	**in euros**	**0.99**	**1.10**	**11.1 %**

[1] Adjusted in application of IAS 19 revised (see notes on page 33).
[2] Restructuring charges, third quarter 2013: 19 million euros (Q3/2012: 45 million euros), of which: cost of sales 9 million euros (Q3/2012: 8 million euros); marketing, selling and distribution expenses 2 million euros (Q3/2012: 10 million euros); research and development expenses 2 million euros (Q3/2012: 0 million euros); administrative expenses 6 million euros (Q3/2012: 27 million euros).

Consolidated statement of income

in million euros		1–9/2012 [1]	%	1–9/2013	%	Change
Sales		**12,508**	**100.0**	**12,503**	**100.0**	**0.0%**
Cost of sales [2]		– 6,607	– 52.8	– 6,470	– 51.7	– 2.1%
Gross profit		**5,901**	**47.2**	**6,033**	**48.3**	**2.2%**
Marketing, selling and distribution expenses [2]		– 3,278	– 26.2	– 3,278	– 26.2	0.0%
Research and development expenses [2]		– 306	– 2.5	– 312	– 2.5	2.0%
Administrative expenses [2]		– 598	– 4.8	– 630	– 5.1	5.4%
Other operating income		77	0.6	100	0.8	29.9%
Other operating charges		– 89	– 0.7	– 92	– 0.7	3.4%
Operating profit (EBIT)		**1,707**	**13.6**	**1,821**	**14.6**	**6.7%**
Interest income		34	0.3	48	0.4	41.2%
Interest expense		– 177	– 1.4	– 130	– 1.1	– 26.6%
Interest result		– 143	– 1.1	– 82	– 0.7	– 42.7%
Investment result		–	–	–	–	–
Financial result		**– 143**	**– 1.1**	**– 82**	**– 0.7**	**– 42.7%**
Income before tax		**1,564**	**12.5**	**1,739**	**13.9**	**11.2%**
Taxes on income		– 387	– 3.1	– 435	– 3.5	12.4%
Tax rate in %		*24.7*		*25.0*		
Net income		**1,177**	**9.4**	**1,304**	**10.4**	**10.8%**
– Attributable to non-controlling interests		– 32	– 0.3	– 35	– 0.3	9.4%
– Attributable to shareholders of Henkel AG & Co. KGaA		1,145	9.1	1,269	10.1	10.8%
Earnings per ordinary share – basic and diluted	in euros	2.63		2.91		10.6%
Earnings per preferred share – basic and diluted	in euros	2.65		2.93		10.6%
Earnings per ordinary share – basic and diluted (2012 before IAS 19 revised)	in euros	2.68		2.91		8.6%
Earnings per preferred share – basic and diluted (2012 before IAS 19 revised)	in euros	2.70		2.93		8.5%

Additional voluntary information

in million euros		1–9/2012 [1]	1–9/2013	Change
EBIT (as reported)		**1,707**	**1,821**	**6.7%**
One-time gains [3]		–	– 10	–
One-time charges [4]		–	45	–
Restructuring charges		84	76	–
Adjusted EBIT		**1,791**	**1,932**	**7.8%**
Adjusted return on sales	*in %*	*14.3*	*15.5*	***1.2 pp***
Adjusted tax rate	*in %*	*25.1*	*24.9*	***– 0.2 pp***
Adjusted net income – Attributable to shareholders of Henkel AG & Co. KGaA		1,203	1,354	12.6%
Adjusted earnings per ordinary share	in euros	2.77	3.11	12.3%
Adjusted earnings per preferred share	in euros	2.78	3.13	12.6%
Adjusted net income – Attributable to shareholders of Henkel AG & Co. KGaA (2012 before IAS 19 revised)		1,226	1,354	10.4%
Adjusted earnings per ordinary share (2012 before IAS 19 revised)	in euros	2.81	3.11	10.7%
Adjusted earnings per preferred share (2012 before IAS 19 revised)	in euros	2.83	3.13	10.6%

[1] Adjusted in application of IAS 19 revised (see notes on page 33).
[2] Restructuring charges, first nine months 2013: 76 million euros (first nine months 2012: 84 million euros), of which: cost of sales 18 million euros (first nine months 2012: 16 million euros); marketing, selling and distribution expenses 10 million euros (first nine months 2012: 23 million euros); research and development expenses 3 million euros (first nine months 2012: 2 million euros); administrative expenses 45 million euros (first nine months 2012: 43 million euros).
[3] Gain from the sale of enzyme production technologies in the Laundry & Home Care business sector.
[4] Of which 35 million euros impairment of assets held for sale of our companies in Iran.

Consolidated statement of comprehensive income

in million euros	Q3/2012[1]	Q3/2013	1–9/2012[1]	1–9/2013
Net income	402	469	1,177	1,304
Components to be reclassified to income:				
Exchange differences on translation of foreign operations	–132	–241	25	–337
Gains from derivative financial instruments (hedge reserve per IAS 39)	4	4	15	14
Gains from financial instruments in the available-for-sale category (available-for-sale reserve)	–	–	3	1
Components not to be reclassified to income:				
Actuarial gains including effects from asset ceilings	–148	28	–129	54
Other comprehensive income (net of taxes)	–276	–209	–86	–268
Total comprehensive income for the period	126	260	1,091	1,036
– Attributable to non-controlling interests	10	2	32	22
– Attributable to shareholders of Henkel AG & Co. KGaA	116	258	1,059	1,014

[1] Adjusted in application of IAS 19 revised (see notes on page 33).

Consolidated statement of changes in equity

in million euros	Issued capital: Ordinary shares	Issued capital: Preferred shares	Capital reserve	Treasury shares	Retained earnings	Other components of equity: Currency translation	Other components of equity: Hedge reserve per IAS 39	Other components of equity: Available-for-sale reserve	Shareholders of Henkel AG & Co. KGaA	Non-controlling interests	Total
At December 31, 2011 / January 1, 2012[1]	260	178	652	–93	8,494	–662	–278	–2	8,549	121	8,670
Net income[2]	–	–	–	–	1,145	–	–	–	1,145	32	1,177
Other comprehensive income[2]	–	–	–	–	–129	25	15	3	–86	–	–86
Total comprehensive income for the period	–	–	–	–	*1,016*	*25*	*15*	*3*	*1,059*	*32*	*1,091*
Dividends	–	–	–	–	–342	–	–	–	–342	–24	–366
Sale of treasury shares	–	–	–	2	3	–	–	–	5	–	5
Changes in ownership interest with no change in control	–	–	–	–	–5	–	–	–	–5	–3	–8
Other changes in equity	–	–	–	–	–1	–	–	–	–1	–3	–4
At September 30, 2012[1]	260	178	652	–91	9,165	–637	–263	1	9,265	123	9,388
At December 31, 2012 / January 1, 2013	260	178	652	–91	9,381	–806	–199	1	9,376	135	9,511
Net income	–	–	–	–	1,269	–	–	–	1,269	35	1,304
Other comprehensive income	–	–	–	–	54	–324	14	1	–255	–13	–268
Total comprehensive income for the period	–	–	–	–	*1,323*	*–324*	*14*	*1*	*1,015*	*21*	*1,036*
Dividends	–	–	–	–	–407	–	–	–	–407	–24	–431
Sale of treasury shares	–	–	–	–	–	–	–	–	–	–	–
Changes in ownership interest with no change in control	–	–	–	–	–3	–	–	–	–3	–	–3
Other changes in equity	–	–	–	–	–1	–	–	–	–1	–	–1
At September 30, 2013	260	178	652	–91	10,293	–1,130	–185	2	9,979	133	10,112

[1] Figures as of January 1, 2012 and September 30, 2012 adjusted in application of IAS 8 (see notes in the Annual Report 2012 on pages 116 and 117).
[2] Adjusted in application of IAS 19 revised (see notes on page 33).

Consolidated statement of cash flows

in million euros	Q3/2012	Q3/2013	1–9/2012	1–9/2013
Operating profit (EBIT)	**586**	**649**	**1,707**	**1,821**
Income taxes paid	– 127	– 169	– 478	– 396
Amortization/depreciation/impairment/write-ups of intangible assets and property, plant and equipment[1]	104	99	300	320
Net gains/losses on disposal of intangible assets and property, plant and equipment, and from divestments	– 1	– 3	– 5	– 28
Change in inventories	55	– 28	13	– 187
Change in trade accounts receivable	7	49	– 275	– 413
Change in other assets	16	– 20	– 3	– 50
Change in trade accounts payable	79	52	301	379
Change in other liabilities and provisions	218	126	206	– 72
Cash flow from operating activities	**937**	**755**	**1,766**	**1,374**
Purchase of intangible assets and property, plant and equipment	– 98	– 116	– 286	– 293
Acquisition of subsidiaries and other business units	– 110	– 4	– 115	– 4
Purchase of associated companies held at equity and joint ventures	–	–	– 4	–
Proceeds on disposal of subsidiaries and other business units	3	–	3	26
Proceeds on disposal of intangible assets and property, plant and equipment	4	18	44	54
Cash flow from investing activities	**– 201**	**– 102**	**– 358**	**– 217**
Dividends paid to shareholders of Henkel AG & Co. KGaA	–	–	– 342	– 407
Dividends paid to non-controlling shareholders	– 14	– 6	– 24	– 24
Interest received	11	9	31	35
Interest paid	– 52	– 13	– 141	– 62
Dividends and interest paid and received	*– 55*	*– 10*	*– 476*	*– 458*
Repayment of bonds	–	–	–	– 1,000
Other changes in borrowings	34	– 425	– 15	17
Allocation to pension funds	– 25	– 12	– 61	– 48
Other changes in pension obligations	– 24	– 17	– 76	– 60
Purchase of non-controlling interests with no change of control	– 1	–	– 8	– 3
Other financing transactions[2]	– 304	– 242	– 829	254
Cash flow from financing activities	**– 375**	**– 706**	**– 1,465**	**– 1,298**
Net change in cash and cash equivalents	361	– 53	– 57	– 141
Effect of exchange rates on cash and cash equivalents	– 7	– 31	– 23	– 46
Change in cash and cash equivalents	**354**	**– 84**	**– 80**	**– 187**
Cash and cash equivalents at July 1/January 1	1,546	1,135	1,980	1,238
Cash and cash equivalents at September 30	**1,900**	**1,051**	**1,900**	**1,051**
Less cash and cash equivalents classified as “held for sale”	–	10	–	10
Cash and cash equivalents at September 30 (as per consolidated statement of financial position)	1,900	1,041	1,900	1,041

[1] Of which: Impairment, first nine months 2013: 25 million euros (first nine months 2012: 4 million euros); Q3/2013: 1 million euros (Q3/2012: 1 million euros).
[2] Other financing transactions in the first nine months of 2013 include payments of – 929 million euros for the purchase of short-term securities and time deposits (the figure for Q3/2013 includes payments of – 364 million euros).

Additional voluntary information
Reconciliation to free cash flow

in million euros	Q3/2012	Q3/2013	1–9/2012	1–9/2013
Cash flow from operating activities	937	755	1,766	1,374
Purchase of intangible assets and property, plant and equipment	– 98	– 116	– 286	– 293
Proceeds on disposal of intangible assets and property, plant and equipment	4	18	44	54
Net interest paid	– 41	– 4	– 110	– 27
Other changes in pension obligations	– 24	– 17	– 76	– 60
Free cash flow	**778**	**636**	**1,338**	**1,048**

Selected explanatory notes

Group segment report by business sector[1]

Third quarter 2013 in million euros	Laundry & Home Care	Beauty Care	Adhesives for Consumers, Craftsmen and Building	Industrial Adhesives	Total Adhesive Technologies	Operating business sectors total	Corporate	Henkel Group
Sales July – September 2013	**1,167**	**886**	**534**	**1,560**	**2,095**	**4,148**	**36**	**4,184**
Proportion of Henkel sales	28 %	21 %	13 %	37 %	50 %	99 %	1 %	100 %
Sales July – September 2012	1,194	908	554	1,599	2,153	4,255	39	4,294
Change from previous year	– 2.2 %	– 2.4 %	– 3.6 %	– 2.4 %	– 2.7 %	– 2.5 %	– 7.8 %	– 2.6 %
After adjusting for foreign exchange	5.5 %	3.1 %	2.2 %	4.6 %	4.0 %	4.2 %	–	4.1 %
Organic	5.5%	3.1 %	3.9 %	4.3 %	4.2 %	4.3 %	–	4.2 %
EBIT July – September 2013	**185**	**122**	**96**	**269**	**365**	**672**	**– 24**	**649**
EBIT July – September 2012	168	114	87	241	329	611	– 24	586
Change from previous year	9.6 %	7.5 %	9.8 %	11.7 %	11.2 %	10.1 %	–	10.6 %
Return on sales (EBIT) July – September 2013	**15.8 %**	**13.8 %**	**18.0 %**	**17.3 %**	**17.4 %**	**16.2 %**	**–**	**15.5 %**
Return on sales (EBIT) July – September 2012	14.1 %	12.5 %	15.8 %	15.1 %	15.3 %	14.3 %	–	13.6 %
Adjusted EBIT July – September 2013	**186**	**132**	**99**	**274**	**373**	**691**	**– 19**	**672**
Adjusted EBIT July – September 2012	173	133	91	254	345	651	– 19	631
Change from previous year	7.6 %	– 0.8 %	9.2 %	7.8 %	8.2 %	6.2 %	–	6.5 %
Adjusted return on sales (EBIT) July – September 2013	**15.9 %**	**14.9 %**	**18.5 %**	**17.5 %**	**17.8 %**	**16.7 %**	**–**	**16.1 %**
Adjusted return on sales (EBIT) July – September 2012	14.5 %	14.7 %	16.3 %	15.9 %	16.0 %	15.3 %	–	14.7 %
Capital employed July – September 2013[2]	**2,265**	**2,031**	**936**	**5,851**	**6,787**	**11,083**	**80**	**11,163**
Capital employed July – September 2012[2,4]	2,456	2,123	1,033	6,297	7,330	11,908	75	11,983
Change from previous year	– 11.1 %	– 4.3 %	– 9.4 %	– 7.1 %	– 7.4 %	– 7.6 %	–	– 7.6 %
Return on capital employed (ROCE) July – September 2013	**32.6 %**	**24.1 %**	**41.0 %**	**18.4 %**	**21.5 %**	**24.3 %**	**–**	**23.2 %**
Return on capital employed (ROCE) July – September 2012[4]	27.4 %	21.4 %	33.9 %	15.3 %	17.9 %	20.5%	–	19.6 %
Amortization /depreciation/ impairment/write-ups of intangible assets / property, plant and equipment July – September 2013	**31**	**14**	**10**	**44**	**54**	**99**	**4**	**103**
of which impairment losses 2013	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
of which write-ups 2013	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Amortization/depreciation/impairment/write-ups of intangible assets / property, plant and equipment July – September 2012	27	14	12	47	59	100	4	104
of which impairment losses 2012	–	–	1	–	1	1	–	1
of which write-ups 2012	–	–	–	–	–	–	–	–
Capital expenditures (excl. financial assets) July – September 2013	**43**	**24**	**17**	**33**	**50**	**117**	**3**	**120**
Capital expenditures (excl. financial assets) July – September 2012	43	23	18	103	120	186	3	189
Operating assets July – September 2013[3]	**4,028**	**3,233**	**1,488**	**7,117**	**8,604**	**15,865**	**443**	**16,309**
Operating liabilities July – September 2013	**1,589**	**1,401**	**602**	**1,684**	**2,286**	**5,276**	**363**	**5,640**
Net operating assets July – September 2013[3]	**2,439**	**1,832**	**886**	**5,432**	**6,318**	**10,589**	**80**	**10,669**
Operating assets July – September 2012[3,4]	4,011	3,038	1,503	7,490	8,993	16,042	421	16,463
Operating liabilities July – September 2012	1,368	1,111	519	1,621	2,140	4,619	346	4,966
Net operating assets July – September 2012[3,4]	2,643	1,927	984	5,869	6,853	11,422	75	11,497

[1] Calculated on the basis of units of 1,000 euros.
[2] Including goodwill at cost prior to any accumulated impairment in accordance with IFRS 3.79 (b).
[3] Including goodwill at net book value.
[4] Figures as of September 30, 2012 adjusted in application of IAS 8 (see notes in the Annual Report 2012 on pages 116 and 117).

Group segment report by business sector[1]

January – September 2013 in million euros	Laundry & Home Care	Beauty Care	Adhesives for Consumers, Craftsmen and Building	Industrial Adhesives	Total Adhesive Technologies	Operating business sectors total	Corporate	Henkel Group
Sales January – September 2013	**3,531**	**2,683**	**1,494**	**4,683**	**6,177**	**12,390**	**113**	**12,503**
Proportion of Henkel sales	28 %	22 %	12 %	37 %	49 %	99 %	1 %	100 %
Sales January – September 2012	3,448	2,690	1,532	4,720	6,252	12,391	117	12,508
Change from previous year	2.4 %	– 0.3 %	– 2.5 %	– 0.8 %	– 1.2 %	0.0 %	– 3.2 %	0.0 %
After adjusting for foreign exchange	6.4 %	2.9 %	0.9 %	3.1 %	2.6 %	3.7 %	–	3.7 %
Organic	6.4 %	3.3 %	2.5 %	2.2 %	2.3 %	3.6 %	–	3.6 %
EBIT January – September 2013	**527**	**381**	**235**	**777**	**1,012**	**1,920**	**– 99**	**1,821**
EBIT January – September 2012	478	365	221	718	939	1,782	– 75	1,707
Change from previous year	10.2 %	4.3 %	6.6 %	8.2 %	7.8 %	7.7 %	–	6.7 %
Return on sales (EBIT) January – September 2013	**14.9 %**	**14.2%**	**15.7%**	**16.6 %**	**16.4 %**	**15.5 %**	**–**	**14.6 %**
Return on sales (EBIT) January – September 2012	13.9 %	13.6 %	14.4 %	15.2 %	15.0 %	14.4 %	–	13.6 %
Adjusted EBIT January – September 2013	**544**	**400**	**251**	**804**	**1,055**	**2,000**	**– 68**	**1,932**
Adjusted EBIT January – September 2012	500	390	226	738	963	1,854	– 62	1,791
Change from previous year	8.9 %	2.6 %	11.3 %	9.0 %	9.5 %	7.9 %	–	7.8 %
Adjusted return on sales (EBIT) January – September 2013	**15.4 %**	**14.9 %**	**16.8 %**	**17.2 %**	**17.1 %**	**16.1 %**	**–**	**15.5 %**
Adjusted return on sales (EBIT) January – September 2012	14.5 %	14.5 %	14.7 %	15.6 %	15.4 %	15.0 %	–	14.3 %
Capital employed January – September 2013[2]	**2,333**	**2,011**	**944**	**5,888**	**6,832**	**11,176**	**91**	**11,267**
Capital employed January – September 2012[2,4]	2,415	2,125	1,035	6,223	7,258	11,797	54	11,851
Change from previous year	– 3.4 %	– 5.4 %	– 8.9 %	– 5.4 %	– 5.9 %	– 5.3 %	–	– 4.9 %
Return on capital employed (ROCE) January – September 2013	**30.1 %**	**25.2 %**	**33.2 %**	**17.6 %**	**19.7 %**	**22.9 %**	**–**	**21.5 %**
Return on capital employed (ROCE) January – September 2012[4]	26.4 %	22.9 %	28.4 %	15.4 %	17.2 %	20.1 %	–	19.2 %
Amortization /depreciation/ impairment/write-ups of intangible assets / property, plant and equipment January – September 2013	**99**	**42**	**34**	**136**	**170**	**311**	**13**	**324**
of which impairment losses 2013	**14**	**1**	**4**	**5**	**9**	**24**	**–**	**24**
of which write-ups 2013	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Amortization/depreciation/impairment/write-ups of intangible assets / property, plant and equipment January – September 2012	79	40	33	136	169	288	12	300
of which impairment losses 2012	3	–	1	–	1	4	–	4
of which write-ups 2012	–	–	–	1	1	1	–	1
Capital expenditures (excl. financial assets) January – September 2013	**93**	**52**	**52**	**93**	**145**	**290**	**7**	**297**
Capital expenditures (excl. financial assets) January – September 2012	109	55	54	158	212	376	5	381
Operating assets January – September 2013[3]	**4,133**	**3,178**	**1,460**	**7,179**	**8,638**	**15,949**	**522**	**16,471**
Operating liabilities January – September 2013	**1,629**	**1,365**	**567**	**1,711**	**2,277**	**5,271**	**431**	**5,702**
Net operating assets January – September 2013[3]	**2,505**	**1,813**	**893**	**5,468**	**6,361**	**10,679**	**91**	**10,770**
Operating assets January – September 2012[3,4]	3,930	3,012	1,480	7,346	8,826	15,769	404	16,173
Operating liabilities January – September 2012	1,335	1,084	495	1,553	2,048	4,467	351	4,818
Operating assets January – September 2012[3,4]	2,595	1,928	985	5,793	6,778	11,301	54	11,355

[1] Calculated on the basis of units of 1,000 euros.
[2] Including goodwill at cost prior to any accumulated impairment in accordance with IFRS 3.79 (b).
[3] Including goodwill at net book value.
[4] Figures as of September 30, 2012 adjusted in application of IAS 8 (see notes in the Annual Report 2012 on pages 116 and 117).

Earnings per share

In calculating earnings per share for the period January through September 2013, we have included the standard dividend differential between ordinary and preferred shares for the full year of 2 eurocents (as stipulated in the Articles of Association), weighted on a proportional basis.

Since the Stock Incentive Plan expired in May 2012, it will no longer dilute earnings per share with effect from fiscal 2013. For details, please consult our Annual Report 2012, page 153.

Earnings per share

		1–9/2012[1]	1–9/2013
Net income – Attributable to shareholders of Henkel AG & Co. KGaA	in million euros	1,145	1,269
Number of outstanding ordinary shares		259,795,875	259,795,875
Earnings per ordinary share (basic)	in euros	2.63	2.91
Number of outstanding preferred shares[2]		174,460,902	174,482,305
Earnings per preferred share (basic)	in euros	2.65	2.93
Dilutive effect arising from Stock Incentive Plan		12,431	–
Number of potentially outstanding preferred shares[3]		174,473,333	174,482,305
Earnings per ordinary share (diluted)	in euros	2.63	2.91
Earnings per preferred share (diluted)	in euros	2.65	2.93

[1] Adjusted in application of IAS 19 revised (see notes on this page).
[2] Weighted average of preferred shares.
[3] Weighted average of preferred shares (adjusted for the potential number of shares arising from the Stock Incentive Plan).

Changes in treasury shares

Treasury shares held by the Group at September 30, 2013 remained unchanged at 3,680,570 preferred shares. This represents 0.84 percent of the capital stock and a proportional nominal value of 3.7 million euros.

Recognition and measurement methods

The interim financial report and interim consolidated financial statements of the Henkel Group for the first nine months of the year and the third quarter have been prepared in accordance with Section 37x (3) in conjunction with Section 37w (2) of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG), in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and consequently in compliance with International Accounting Standard (IAS) 34 “Interim Financial Reporting.”

The same accounting principles have been applied as for the 2012 consolidated financial statements, with the exception of the accounting pronouncements recently adopted in fiscal 2013, which are explained on pages 118 and 119 of the Annual Report 2012. With the exception of IAS 19 revised, these pronouncements do not exert any material influence on the presentation of the interim financial report for the first nine months of the year.

In June 2011, the International Accounting Standards Board (IASB) published amendments to IAS 19 “Employee Benefits” (IAS 19 revised, 2011). IAS 19 revised replaces the expected income from plan assets and the interest expense on the pension obligations with a uniform net interest component. The pronouncement is applicable for fiscal years beginning on or after January 1, 2013. IAS 19 revised requires retrospective application and the presentation of the effects of the first-time application on the opening balance at January 1, 2012. This retrospective adjustment led to an increase of 30 million euros in interest expense for the first nine months of fiscal 2012. Following application of IAS 19 revised, the interest result for the first nine months of fiscal 2012 amounts to –143 million euros (prior to adjustment: –113 million euros).

In order to further ensure a true and fair view of our net assets, financial position and results of operations, additional line items have been included and some line items have been renamed in the consolidated statement of financial position, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows.

To simplify interim financial reporting, IAS 34.41 allows certain estimates and assumptions to be made beyond the scope permitted for annual financial statements, on condition that all material financial information is appropriately presented to enable a proper assessment of the net assets, financial position and results of operations of the company. In calculating taxes on income, the interim tax expense is determined on the basis of the estimated effective income tax rate for the current fiscal year.

The interim report for the first nine months of the year, composed of condensed consolidated financial statements and an interim Group management report, was duly subjected to an auditor’s review.

Scope of consolidation

In addition to Henkel AG & Co. KGaA as the ultimate parent company, the scope of consolidation as of September 30, 2013 includes six German and 167 non-German companies in which Henkel AG & Co. KGaA has the power to govern financial and operating policy, based on the concept of control. This is generally the case where Henkel AG & Co. KGaA holds, directly or indirectly, a majority of the voting rights. Companies in which not more than half of the voting rights are held are fully consolidated if Henkel AG & Co. KGaA has the power, directly or indirectly, to govern their financial and operating policies.

The following table shows the changes in the scope of consolidation compared to December 31, 2012:

Scope of consolidation

At January 1, 2013	**178**
Additions	2
Mergers	–
Disposals	– 6
At September 30, 2013	**174**

The changes in the scope of consolidation have not had any material effect on the main items of the consolidated financial statements.

Acquisitions and divestments

Effective January 10, 2013, we sold Chemofast Anchoring GmbH, Willich, Germany, for 26 million euros. As of December 31, 2012, the assets and liabilities of the company were reported as "held for sale." The sale transaction included the transfer of 4 million euros in cash to the buyer. In June 2013, we spent 3 million euros acquiring the outstanding non-controlling interests in Henkel Kenya Ltd., Nairobi, Kenya, increasing our shareholding from 80 percent to 100 percent. Effective September 4, 2013, we completed an acquisition in the Hair Care business in South Africa. The acquisition is aimed at further strengthening our presence in our emerging markets.

Consolidated statement of comprehensive income

Of the components included in other comprehensive income, tax expenses relating to actuarial gains amount to 19 million euros (September 30, 2012: tax income of 97 million euros) [1] and tax expenses from cash flow hedges amount to 7 million euros (September 30, 2012: tax expenses of 10 million euros).

Assets and liabilities held for sale

Compared to December 31, 2012, assets held for sale increased by 10 million euros to 48 million euros. Liabilities held for sale rose from 9 million euros to 22 million euros in the same period. This increase is due in part to the reclassification of the assets and liabilities of our companies in Iran as assets and liabilities held for sale. We intend to sell the companies within twelve months. The impairments resulting from the measurement of the assets at the lower of carrying amount and fair value were recognized through profit and loss. An additional charge is also expected to be incurred as a result of the deconsolidation of the two companies. We expect the entire expense connected with the sale to be around 55 million euros. The planned sale marks our complete withdrawal from Iran.

[1] Adjusted in application of IAS 19 revised (see notes on page 33).

In addition, our assets held for sale increased as a result of the reclassification of the assets of one of our non-core activities in the Adhesive Technologies business sector. This was partially offset by the transfer to the buyer of the assets of Chemofast Anchoring GmbH. As of December 31, 2012, the assets and liabilities of the company had been classified as "held for sale."

Financial instruments

Financial instruments assigned to the valuation categories "Fair value option," "Available for sale" and "Held for trading" are generally measured at fair value. In the "Fair value option," we include fixed-interest bonds, which are recognized in other financial assets under securities and time deposits and for which we have concluded interest rate swaps in order to convert the fixed interest rate into a floating interest. Other securities and time deposits as well as other investments which are not measured at equity, both part of other financial assets in the statement of financial position, are categorized as "Available for sale." Only the derivative financial instruments held by the Henkel Group which are not included in hedge accounting are designated as "Held for trading."

The following hierarchy is applied in order to determine and disclose the fair value of financial instruments:

- Level 1: Fair values which are determined on the basis of quoted, unadjusted prices in active markets.
- Level 2: Fair values which are determined on the basis of parameters for which either directly or indirectly derived market prices are available.
- Level 3: Fair values which are determined on the basis of parameters for which the input factors are not based on observable market data.

The securities categorized within the Henkel Group as "Available for sale" or using the "Fair value option" and measured at fair value, with a reported fair value of 2,028 million euros, fall under fair value hierarchy level 1. All derivative financial instruments fall under fair value hierarchy level 2. Derivative financial instruments with a positive fair value have a reported fair value of 199 million euros; derivative financial instruments with a negative market value total 30 million euros.

The carrying amount (including accrued interest) of bonds issued by Henkel and recognized under borrowings amounted to 2,533 million euros as of the reporting date. The fair value is 2,530 million euros.

For forward exchange contracts, the fair value is determined on the basis of the reference exchange rates of the European Central Bank prevailing at the reporting date, taking into account forward premiums/forward discounts for the remaining term of the respective contract versus the contracted foreign exchange rate. Foreign exchange options are measured using price quotations or recognized models for the determination of option prices. Interest rate hedging instruments are measured on the basis of discounted cash flows expected in the future, taking into account market interest rates applicable for the remaining term of the contracts. These are indicated for the two most important currencies in the following table. It shows the interest rates quoted on the interbank market in each case on December 31 and September 30.

Interest rates in percent p. a.

as of December 31/September 30 Term	EUR 2012	EUR 2013	USD 2012	USD 2013
1 month	0.07	**0.13**	0.23	**0.18**
3 months	0.18	**0.23**	0.42	**0.25**
6 months	0.25	**0.34**	0.48	**0.37**
1 year	0.48	**0.54**	0.88	**0.63**
2 years	0.38	**0.57**	0.39	**0.47**
5 years	0.77	**1.25**	0.85	**1.57**
10 years	1.60	**2.10**	1.82	**2.79**

Due to the complexities involved, financial derivatives for hedging commodity price risks are primarily measured on the basis of simulation models, which are derived from market quotations. Regular plausibility checks are performed in order to safeguard valuation correctness.

In measuring derivative financial instruments, counterparty credit risk is taken into account with a lump-sum adjustment to the fair values concerned, determined on the basis of credit risk premiums.

Contingent liabilities

Effective September 30, 2013, liabilities under guarantee and warranty agreements totaled 5 million euros. On December 31, 2012, these liabilities amounted to 5 million euros.

Operating lease commitments

Operating leases as defined in IAS 17 comprise all forms of rights of use of assets, including rights of use arising from rent and leasehold agreements. Payment obligations under operating lease agreements are shown at the total amounts payable up to the earliest date of termination. The amounts shown are the nominal values. At September 30, 2013, they were due for payment as follows:

Operating lease commitments

in million euros	Dec. 31, 2012	Sept. 30, 2013
Due in the following year	71	**61**
Due within 1 to 5 years	127	**110**
Due after 5 years	33	**23**
Total	**231**	**194**

Voting rights, related party disclosures

Henkel AG & Co. KGaA, Düsseldorf, Germany, has been notified that the share of voting rights of the parties to the Henkel family share-pooling agreement at December 13, 2012 represented a total of 53.65 percent of the voting rights (139,380,672 votes) in Henkel AG & Co. KGaA.

Notes to the Group segment report

There have been no changes in the basis by which the segments are classified or in the presentation of the segment results as compared to the annual financial statements of December 31, 2012. For definitions of ROCE, net operating assets and capital employed, please refer to our Annual Report 2012, page 55, and pages 154 through 156.

Notes to the consolidated statement of cash flows

The main items of the consolidated statement of cash flows and the changes thereto are explained on pages 22 and 23. The other changes in borrowings take into account a number of cash inflows and outflows, particularly arising from short-term borrowings and redemptions of current liabilities to banks.

Düsseldorf, November 4, 2013

Henkel Management AG,
Personally Liable Partner
of Henkel AG & Co. KGaA

Management Board
Kasper Rorsted,
Jan-Dirk Auris, Carsten Knobel, Kathrin Menges,
Bruno Piacenza, Hans Van Bylen

Independent review report

To Henkel AG & Co. KGaA, Düsseldorf:
We have reviewed the condensed interim consolidated financial statements – comprising the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, and selected notes – and the interim Group management report (pages 6 to 25) of Henkel AG & Co. KGaA, Düsseldorf, for the period from January 1, 2013 to September 30, 2013, which form part of the quarterly financial report in accordance with Section 37x (3) in conjunction with Section 37w (2) of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

The preparation of the condensed interim consolidated financial statements in accordance with those International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim Group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's legal representatives. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim Group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim Group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements (ISRE) 2410. Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim Group management report has not been prepared, in material aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim Group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, November 4, 2013

KPMG AG
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Kai C. Andrejewski	**Simone Fischer**
Wirtschaftsprüfer	Wirtschaftsprüferin
(German Public Auditor)	(German Public Auditor)

Report of the Audit Committee of the Supervisory Board

In the meeting of November 4, 2013, the interim consolidated financial report for the first nine months of fiscal 2013 and the report prepared by KPMG AG, Wirtschaftsprüfungsgesellschaft, on its review of the condensed interim consolidated financial statements and the interim Group management report were presented to the Audit Committee, who also received verbal explanations from the Management Board and KPMG pertaining to the above. The Audit Committee has approved and endorses the interim consolidated financial report.

Düsseldorf, November 4, 2013

Chairman of the Audit Committee
Prof. Dr. Theo Siegert

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Financial calendar

Publication of Report
for Fiscal 2013:
Thursday, February 20, 2014

Annual General Meeting
Henkel AG & Co. KGaA 2014:
Friday, April 4, 2014

Publication of Report
for the First Quarter 2014:
Wednesday, May 7, 2014

Publication of Report
for the Second Quarter 2014 / Half Year 2014:
Tuesday, August 12, 2014

Publication of Report
for the Third Quarter 2014 / Nine Months 2014:
Tuesday, November 11, 2014

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